



California Tax Credit Allocation Committee

CTCAC
Committee Meeting
Wednesday, October 20, 2021
11:00 AM



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 311
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

MEETING NOTICE

AGENDA

MEETING DATE:
October 20, 2021

TIME:
11:00 AM

LOCATION:
915 Capitol Mall, Room 587
Sacramento, CA 95814

Public Participation Call-In Number*
(888) 557-8511
Participant Code:
5651115

BOARD MEMBERS (voting)
FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON HALL
Executive Director of CalHFA

DIRECTOR
NANCEE ROBLES
Executive Director

The Committee may take action on any item.
Items may be taken out of order.

There will be an opportunity for public comment at the end of each item, prior to any action.

1. Call to Order and Roll Call

Action Item: 2. Approval of the Minutes of the September 29, 2021 Meeting

3. Executive Director's Report
Presented by: Nancee Robles

Action Item: 4. Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a Reservation of 2021 Second Round Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs). Presented by: Anthony Zeto

Table with 2 columns: Project #, Project Name. Row 1: CA-21-135, Alexander Valley Apartments

Action Item: 5. Recommendation for Reservation of 2021 Second Round Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs) Presented by: Anthony Zeto

Table with 2 columns: Project #, Project Name. Row 1: CA-21-133, Clinton Avenue Apartments



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Action Item: **6. Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a Reservation of 2021 Second Round Federal Nine Percent (9%) and State Low Income Housing Tax Credits (LIHTCs). See Exhibit A for a list of the appealing projects.**
Presented by: Anthony Zeto

Action Item: **7. Recommendation for Reservation of 2021 Second Round Federal Nine Percent (9%) and State Low Income Housing Tax Credits (LIHTCs)**
Presented by: Anthony Zeto

A preliminary list of recommended applications can be viewed at:

<https://www.treasurer.ca.gov/ctcac/2021/9percent-Preliminary-Recommendations.pdf>

NOTE: The preliminary list of recommended applications is CTCAC staff's preliminary recommendation list and projects on the list may be removed at any time prior to the Committee Meeting.

Action Item: **8. Recommendation of a Resolution establishing a Waiting List of pending applications for a Reservation of 2021 Second Round Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs), provided that credit remains available and such applications are complete, eligible and financially feasible**

Presented by: Anthony Zeto

A preliminary waiting list of pending applications can be viewed on the CTCAC website:

<https://www.treasurer.ca.gov/ctcac/2021/2021-proposed-9percent-CAA.pdf>

Action Item: **9. Recommendation of a Resolution establishing a Waiting List of pending applications for a Reservation of 2021 Second Round Federal Nine Percent (9%) and State Low Income Housing Tax Credits (LIHTCs), provided that credit remains available and such applications are complete, eligible and financially feasible**

Presented by: Anthony Zeto

A preliminary waiting list of pending applications can be viewed on the CTCAC website:

<https://www.treasurer.ca.gov/ctcac/2021/2021-proposed-9percent.pdf>

Action Item: **10. Discussion of Direction for Working Group in Regulation Development**
Presented by: Anthony Zeto

Action Item: **11. Discussion of Tax-Exempt Bond Financed Projects (4% Projects) Requesting Limited State Tax Credits**
Presented by: Anthony Zeto



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

12. Public Comment

13. Adjournment

FOR ADDITIONAL INFORMATION

Nancee Robles, Executive Director, CTCAC
915 Capitol Mall, Room 485, Sacramento, CA 95814
(916) 654-6340

This notice may also be found on the following Internet site:

www.treasurer.ca.gov/ctcac

* Interested members of the public may use this number to call in to listen to and/or comment on items before the California Tax Credit Allocation Committee. Additional instructions will be provided to callers once they call the indicated number. This call-in number is provided as an option for public participation but the Committee is not responsible for unforeseen technical difficulties that may occur. The Committee is under no obligation to postpone or delay its meeting in the event such technical difficulties occur during or before the meeting.

The California Tax Credit Allocation Committee (CTCAC) complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of the CTCAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact Tracy Sullivan of CTCAC no later than five calendar days before the meeting at (916) 653-1065 and Telecommunication Device for the Deaf (TDD) at (916) 654-9922.

Exhibit A
Appeals pursuant to CTCAC Regulation Section 10330(b)(1)*

1. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Eureka 7th & Myrtle Affordable Housing (CA-21-070) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs) **in the Rural Set-Aside**.
 - Eureka 7th & Myrtle Affordable Housing (CA-21-070) is being recommended for Reservation of Federal 9% LIHTCs. The appeal does not affect the placement of the project on the Preliminary Recommendation list.
2. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of The Laurel (CA-21-115) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in Balance of Los Angeles County**.
 - The Laurel (CA-21-115) is being recommended for Reservation of Federal 9% LIHTCs. The appeal does not affect the placement of the project on the Preliminary Recommendation list.
3. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Heritage Square South (CA-21-177) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in Balance of Los Angeles County**.
 - If the appeal for Heritage Square South (CA-21-177) is granted in its entirety, Heritage Square South (CA-21-177) will be recommended for a Reservation of LIHTCs and The Laurel (CA-21-115) will not be recommended for a Reservation of Federal 9% LIHTCs.
4. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Sun Lodge (CA-21-101) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in the Central Valley Region**.
 - Sun Lodge (CA-21-101) is being recommended for Reservation of Federal 9% LIHTCs. The appeal does not affect the placement of the project on the Preliminary Recommendation list.
5. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of San Jacinto Manor (CA-21-170) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in the Inland Empire Region**.
 - If the appeal for San Jacinto Manor (CA-21-170) is granted in its entirety, San Jacinto Manor (CA-21-170) will be recommended for a Reservation of LIHTCs.
6. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Tahiti Apartment Homes (CA-21-096) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in Orange County**.
 - If the appeal for Tahiti Apartment Homes (CA-21-096) with regard to the point score reduction is granted in its entirety, Tahiti Apartment Homes (CA-21-096) will be recommended for a Reservation of LIHTCs and Anaheim Midway (CA-21-107) will not be recommended for a Reservation of Federal 9% LIHTCs.

7. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Bay Oaks Apartments (CA-21-150) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in the South and West Bay Region.***
 - Bay Oaks Apartments (CA-21-150) is being recommended for Reservation of Federal 9% LIHTCs. The appeal does not affect the placement of the project on the Preliminary Recommendation list.

8. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Westview Village II (CA-21-117) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in Central Coast Region.***
 - If the appeal for Westview Village II (CA-21-117) with regard to the disqualification is granted in its entirety, Westview Village II (CA-21-117) will be recommended for a Reservation of LIHTCs and Cypress & 7th (CA-21-076) will not be recommended for a Reservation of Federal 9% LIHTCs.

9. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Vivalon Healthy Aging Campus (CA-21-164) affecting the 2021 Second Round Applications for Reservation of Federal Nine Percent (9%) LIHTCs **in the Northern Region.***
 - Vivalon Healthy Aging Campus (CA-21-164) is being recommended for Reservation of Federal 9% LIHTCs. The appeal does not affect the placement of the project on the Preliminary Recommendation list.

***At the time of this publication, it is not known the complete list of applicants will file appeals for consideration by the Committee. CTCAC staff has listed all potential, known appeals.**



California Tax Credit Allocation Committee

AGENDA ITEM 2

Approval of the Minutes of the September 29, 2021 Meeting

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Minutes of the September 29, 2021 Meeting

1. Call to Order and Roll Call

State Treasurer Fiona Ma chaired the meeting of the California Tax Credit Allocation Committee (CTCAC). Treasurer Ma called the meeting to order at 1:32 p.m. Also, present Anthony Sertich for State Controller Betty Yee; Gayle Miller for Department of Finance (DOF) Director Keely Martin Bosler; California Housing Finance Agency (CalHFA) Executive Director Tiena Johnson Hall; California Department of Housing and Community Development (HCD) Director Gustavo Velasquez and County Representative Terra Lawson-Remer.

City Representative Vivian Moreno was absent.

2. Approval of the Minutes of the September 8, 2021 Meeting

MOTION: Ms. Miller moved to approve the September 8, 2021 Meeting Minutes. Mr. Velasquez seconded, and the motion passed unanimously via a roll call vote.

3. Executive Director's Report

CTCAC Executive Director, Nancee Robles stated that she recently approved a contract with the University of California, Berkeley on behalf of its Othering and Belonging Institute for \$232,751.92. She explained the contract is to update, maintain and refine CTCAC's Task Force Opportunity Maps. As of the first week of September, Ms. Robles stated Sjoberg Evashenk Consulting completed 106 hours toward the strategic planning project, which is about 20% of the allotted time originally designated. Among the tasks, she stated the contractor interviewed about 70 staff to collect information to begin drafting the organizational overviews. Ms. Robles explained the preliminary overviews included a growing workload with need for additional staff, information technology needs with an emphasis on getting away from a paper process and the need to update procedures in order to transfer institutional knowledge, as well as the need for specialized staff with expertise in certain areas including regulations. She explained the next steps are to examine the business processes, databases and record keeping to identify weaknesses and opportunities, and to evaluate regulations to reflect changes, priorities and operations as well as the process in which they are tracked and monitored.

On the outreach front, Ms. Robles represented the California Debt Limit Allocation Committee (CDLAC) and CTCAC at a groundbreaking event in the City of San Jose with Mayor Sam Liccardo. She noted the 87-unit low-income multifamily housing project received \$34 million in bond allocation and a \$2.5 million in tax credits. Ms. Robles also attended a grand opening celebration in the Town of Paradise for the Paradise Community Village project that was a low-income multifamily housing project, originally built in 2013, that burned down due to the 2018 Camp Fire displacing 89 families. She stated the project was rebuilt in the exact same location with many of the original tenants returning to their homes.

Ms. Robles stated that for the third year in a row, she and Emily Burgos assisted CalED by instructing a full day course on a full day course on Financing Economic Development for its Accredited Certification in Economic Development (ACE Program), which is hosted by Fresno State. She added that CTCAC Deputy Director, Anthony Zeto represented both CTCAC and CDLAC at the California Council for Affordable Housing Conference and the Non-Profit Affordable Housing Conference by speaking on panels. In general business, Ms. Robles summarized the second 9% round stating CTCAC received 122 applications, 65 of which requested disaster credits. She requested of the Committee to schedule a special meeting for October 20, 2021 to award the 9% second round so staff can complete their thorough reviews. Ms. Robles explained that a message to this effect was sent out on the CTCAC list serve, which also included a link to the updated 2021 proposed program schedule published on the CTCAC website.

Mr. Sertich asked if the vendor for the UC Berkeley contract was the same vendor awarded last time.

Ms. Robles confirmed and stated it was a renewal of the prior contract.

Mr. Sertich asked staff to have a discussion on the 9% regulation changes and stated there is a lot of room, especially with the recent federal changes to make better use of their 9% resources.

Treasurer Ma stated that it would be placed on the agenda for the October 20, 2021 Committee Meeting.

- End of Executive Director's Report

4. Recommendation for Reservation of 2021 Federal Four Percent (4%) and State low Income Housing Tax Credits (LIHTCs) for Tax-Exempt Bond Financed Projects

Mr. Zeto stated the three projects being recommended for approval received bond allocations at the September 8th Committee Meeting. He stated the projects meet all program requirements and recommended them to the Committee for approval.

MOTION: Mr. Sertich moved to approve the three projects. Mr. Velasquez seconded, and the motion passed unanimously via a roll call vote.

5. Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a 2021 Second Round Reservation of Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs). See Exhibit A for a list of the appealing projects

Mr. Zeto stated that one appeal was received at the Committee level for the Consolidated Appropriations Act, 2021 (Disaster Credits). He pointed the Committee to Exhibit A of the meeting noticed which outlined various scenarios if appeals were received and ultimately granted. Mr. Zeto noted Alexander Valley Apartments (CA-21-135) as being one appeal that was still in progress, but that if an appeal is received and granted, the project would not affect any other projects in Sonoma County and would be considered at the October 20,

2021 CTCAC meeting. He stated the lone appeal on the meeting notice was Pacific Station South (CA-21-158), located in Santa Cruz County. Mr. Zeto invited the appellant to present their appeal.

Jim Rendler with For the Future Housing thanked the Committee for their time to consider the appeal and provided some background on the project. He stated the project is located in the heart of downtown Santa Cruz and will provide 70 shovel-ready affordable units, 22 of which will be reserved for disabled residents. Mr. Rendler explained the project had committed funds from the city specifically for the project along with a \$5 million loan committed from Apple Inc. and 47 project-based vouchers both of which are at risk if the project is unsuccessful. He added that the project was highly efficient with the credit request for a 7-story infill construction as well as deeply affordable with an average affordability of 42% Area Median Income (AMI).

Bonnie Lipscomb with the City of Santa Cruz stated they went to City Council before applying for the grant as required by the HCD funding and felt this was an enforceable HCD obligation. She explained that the project goes all the way back to 2001. Ms. Lipscomb summarized the impacts from the recent wildfires to the city, which included about 1,000 families displaced by the fires with the majority of those families residing in the City of Santa Cruz. She concluded by stressing the dire need for affordable housing in the City of Santa Cruz due to the housing lost from the fires.

Mr. Zeto stated the second tie breaker was committed HCD financing of \$1 million for projects previously structured as a 4% project with the intent to clear the backlog of HCD projects in 4% competition. He summarized previous conversations with HCD prior to publishing the proposed regulation changes confirming in the response to public comments that funding through the local jurisdictions to the project would not address the HCD backlog and therefore not eligible for the second tie breaker. Mr. Zeto stated the committed financing to the project had to be specifically from HCD in order to address the backlog of HCD projects. Following review, he confirmed that the project had not previously applied for any funding through the 4% program. If this appeal is granted, Mr. Zeto explained that a project currently on the preliminary recommendation list that does have committed financing directly from HCD would fall off the list. He reiterated that while the funding is committed, the funding is not committed by HCD and therefore does not qualify for the second tie breaker.

Mr. Sertich requested to hear from HCD on this issue.

Mr. Velasquez confirmed Mr. Zeto's was correct in his statement with regard to the second tie breaker. He compared the Local Housing Trust Fund program to the No Place Like Home where the local entity is awarded funds from HCD and then act as the funder, so technically not in the HCD pipeline. Mr. Velasquez noted the project as a worthy project in Santa Cruz where there is affordable housing gap, but asserts what Mr. Zeto stated.

There was no motion.

6. Recommendation for Reservation of 2021 Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs)

Mr. Zeto stated staff was recommending 35 projects requesting 9% Disaster Credits, totaling 2,100 total units and \$70.5 million in annual federal credits leaving approximately 12.63% of the federal credit remaining for the year. He pointed the Committee to a golden rod staff report for Paradise Garden III (CA-21-159) noting a typo on pages 1 and 3 correcting the federal credit amount to \$1,119,901, which is consistent with the preliminary recommendation list. Mr. Zeto also explained that one project not on the preliminary recommendation list withdrew their application the previous day, resulting in one additional project that can be recommended. He stated that staff will recommend one additional project at the October 20, 2021 CTCAC meeting. By awarding one additional project, Mr. Zeto explained that less than 10% of the federal credit will remain resulting in staff establishing a waiting list to fund the remaining credit for the year. He noted all 35 projects met program requirements and recommended them to the Committee for approval.

Mr. Sertich asked if staff will be able to use all of the remaining Disaster Credits by the end of the calendar year.

Mr. Zeto stated that according to the regulations, if there is more than 10% remaining, there would be a subsequent round but given the late withdrawal, one additional project in Fresno County could be awarded resulting in the remaining credit dropping below 10% at which point staff would establish a waiting list and award projects in accordance with CTCAC regulations.

Mr. Rendler stated that the waiting list was a critical step and asked if staff would consider a waiting list if for some reason the credit remaining was above 10%. He believes his project would score high on the waiting list since it is shovel ready.

Mr. Sertich agreed that staff should fund as many projects as soon as possible.

Marcus Griffin with Milestone Housing seconded Mr. Rendler's comment and stated that there is a high chance their project would also be funded off the waiting list, which would allow for two projects in the City of Santa Cruz to be awarded.

MOTION: Mr. Sertich moved to approve the 35 projects. Mr. Velasquez seconded, and the motion passed unanimously via a roll call vote. Mr. Velasquez thanked the CTCAC staff for their hard work.

7. Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1) for 2021 Second Round Federal Nine Percent (9%) Low Income Housing Tax Credit (LIHTC) Applications

Mr. Zeto stated that Agenda Item 7 was just a placeholder in the event any appeals were received at the Committee level in the general 9% round in the set asides and geographic regions. Staff did not receive any appeals at the Committee level, so the item may be skipped.

8. Public Comment

There was no public comment.

9. Adjournment

Treasurer Ma adjourned the meeting at 1:57 p.m.



California Tax Credit Allocation Committee

AGENDA ITEM 3

Executive Directors Report

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AGENDA ITEM 4

Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a Reservation of 2021 Second Round Consolidated Appropriations Act (“CAA”) Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs).



California Tax Credit Allocation Committee

AGENDA ITEM 5

**Recommendation for Reservation of 2021
Second Round Consolidated
Appropriations Act (“CAA”)
Federal Nine Percent (9%) Low Income
Housing Tax Credits (LIHTCs)**

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-133	Clinton Avenue Apartments 1538 East Clinton Avenue Fresno, CA 93704 Fresno County	1538 E. Clinton Ave., L.P., a California Limited Partnership Lori Koester	Corporation for Better Housing Lori Koester	Corporation for Better Housing Lori Koester	DA Real Estate Holdings, LLC Darius Assemi	Pacific Western Bank City of Fresno

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Clinton Avenue Apartments, located at 1538 East Clinton Avenue in Fresno, requested and is being recommended for a reservation of \$2,230,512 in annual federal tax credits to finance the new construction of 77 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Corporation for Better Housing and will be located in Senate District 14 and Assembly District 31.

Project Number CA-21-133

Project Name Clinton Avenue Apartments
Site Address: 1538 East Clinton Avenue
Fresno CA, 93704 County: Fresno
Census Tract: 35.000

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$2,230,512	\$0
Recommended:	\$2,230,512	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: 1538 E. Clinton Ave., L.P.
Contact: Lori Koester
Address: 20750 Ventura Boulevard, Suite155
Woodland Hills CA, 91364
Phone: (818) 905-2430
Email: lkoester@corpoffices.org

General Partner(s) / Principal Owner(s): Corporation for Better Housing
General Partner Type: Nonprofit
Parent Company(ies): Corporation for Better Housing
Developer: Corporation for Better Housing
Investor/Consultant: Alliant Capital, Ltd.
Management Agent(s): WinnResidential California LP

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 78
No. & % of Tax Credit Units: 77 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units	
At or Below 30% AMI:	8	10%
At or Below 45% AMI:	16	20%
At or Below 50% AMI:	31	40%
At or Below 60% AMI:	22	25%

Unit Mix

30 1-Bedroom Units
21 2-Bedroom Units
21 3-Bedroom Units
6 4-Bedroom Units
78 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
1 1 Bedroom	30%	\$392
5 1 Bedroom	45%	\$588
10 1 Bedroom	50%	\$653
13 1 Bedroom	60%	\$784
3 2 Bedrooms	30%	\$471
5 2 Bedrooms	45%	\$706
9 2 Bedrooms	50%	\$785
4 2 Bedrooms	60%	\$942
3 3 Bedrooms	30%	\$543
5 3 Bedrooms	45%	\$815
9 3 Bedrooms	50%	\$906
4 3 Bedrooms	60%	\$1,087
1 4 Bedrooms	30%	\$606
1 4 Bedrooms	45%	\$910
3 4 Bedrooms	50%	\$1,011
1 4 Bedrooms	60%	\$1,213
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,650,000
Construction Costs	\$17,640,604
Rehabilitation Costs	\$0
Construction Contingency	\$1,072,030
Relocation	\$0
Architectural/Engineering	\$715,750
Const. Interest, Perm. Financing	\$1,869,000
Legal Fees	\$150,000
Reserves	\$151,900
Other Costs	\$1,306,993
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$26,756,277

Residential

Construction Cost Per Square Foot:	\$256
Per Unit Cost:	\$343,029
True Cash Per Unit Cost*:	\$330,034

Construction Financing

Source	Amount
Pacific Western Bank	\$20,750,000
Tax Credit Equity	\$4,179,001

Permanent Financing

Source	Amount
Pacific Western Bank	\$3,342,300
City of Fresno	\$3,000,000
Photovoltaic Tax Credit Equity	\$217,988
Deferred Developer Fees	\$1,013,589
Tax Credit Equity	\$19,182,400
TOTAL	\$26,756,277

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$19,261,115
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$25,039,450
Applicable Rate:	9.00%
Maximum Annual Federal Credit, Rehabilitation:	\$2,230,512
Total Maximum Annual Federal Credit:	\$2,230,512
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Alliant Capital, Ltd.
Federal Tax Credit Factor:	\$0.86000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$22,935.86

Significant Information / Additional Conditions

The applicant’s estimate of contractor profit, overhead and general requirement costs exceeds TCAC limit of 14%. The applicant is cautioned that at final review, prior to the issuance of the IRS 8609 forms, any costs or eligible basis that exceeds the limits will not be allowed.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.



AGENDA ITEM 6

Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a Reservation of 2021 Second Round Federal Nine Percent (9%) and State Low Income Housing Tax Credits (LIHTCs). See Exhibit A for a list of the appealing projects.

DANCO

THE DANCO GROUP OF COMPANIES

Danco Communities

Danco Builders
Danco Builders Northwest
DT Builders
Danco Communities
Danco Property Management
Danco Supportive Services
Western Living Concepts

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Arcata, CA 95521
Phone: (707) 822-9000
Fax: (707) 822-9596
www.danco-group.com
Contractor's Licenses
CA 899392, 500851, 986583

October 4, 2021

Anthony Zeto
Deputy Director, TCAC
916 Capitol Mall, Suite 485
Sacramento, CA 95814

Received On
OCT 06 2021
By CTCAC

RE: CA-21-070 / Eureka 7th & Myrtle / Third Appeal Letter Fee

Dear Mr. Zeto,

Attached hereto please accept this check of \$500 for the third appeal of this project.

We will send the appeal letter via email.

Sincerely,



McKenzie Dibble
Project Manager
Danco Communities
707-672-4002
mdibble@danco-group.com

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October 6, 2021

Tax Credit Allocation Committee
916 Capitol Mall, Suite 485
Sacramento, CA 95814

Received On
OCT 06 2021
By CTCAC

RE: CA-21-070 / Eureka 7th & Myrtle / Third Appeal Letter

Dear Committee,

Per the instructions of TCAC staff's letter dated October 1, 2021, please accept this third official appeal letter regarding the tie breaker reduction of the Eureka 7th & Myrtle affordable housing project located in Eureka, California. Based on the two prior responses from TCAC staff, it seems that there is still confusion around what off-site costs are to be included in the tie breaker calculation.

To clear up any confusion on our end, Danco maintains that the only off-site costs included in the tie breaker are as follows:

- Remove and replace all sidewalks, drive entrances surrounding the site - \$527,550 and
- Utility connections including water/sewer/gas, electric, cable TV, phone and stormwater - \$598,350

It appears to us that the confusion arises in that a January 12, 2018 generic letter (which was not included in this round's application) calls out public landscaping as one of many items listed by the City of Eureka. This letter was issued before the site plans and design were fully developed. We had previously used this letter to show that there were off-site costs that the project would be responsible for in order to meet regulation Section 10325(c)(9)(A). We no longer used this letter in the current round as the required costs were called out in the DDA.

Since the January 12, 2018 letter was written the project has been refined quite a bit and has even gone through design review. Design review for this deal was approved by the Eureka City Council on January 6, 2021 as shown in the TCAC application under TAB 14, beginning on page 3 of the PDF labeled TAB 14 - ATTACHMENT 14 Eureka. Under the conditions section of Resolution No. 2021-01 (*Exhibit A*) there is no mention of public landscaping. However, there are three conditions of site landscaping as cited below:

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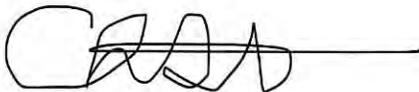
B. Per Eureka Municipal Code §155.328 (Landscaping) the applicant must include the following information with their building plans:

- i. A landscaping maintenance plan for the replacement of diseased or dead plants;
- ii. A WELO Landscape Design Plan and WELO Water Efficient Landscape Worksheet, and;
- iii. Trees in landscaped planters closer than 5 feet from a public sidewalk must be planted with root barriers or root barrier.

In closing, there are no public landscaping costs required for this project, as proven by the design review resolution and the conditions contained therein. The full amount of eligible off-site costs of \$1,125,900, which are required by the City of Eureka as a condition to develop the project and which were quantified under TAB 12, should be left in the tie breaker calculation as they meet the definition in Regulation Section 10325(c)(9)(A).

If you wish for further clarification, please contact me at the below phone or email.

Sincerely,



Chris Dart
President, Danco Communities
(707) 825-1531
cdart@danco-group.com

RESOLUTION NO. 2021-01

A RESOLUTION OF THE DESIGN REVIEW COMMITTEE OF THE CITY OF EUREKA
CONDITIONALLY APPROVING THE PROPOSED 36-UNIT MULTI-FAMILY RESIDENTIAL
SENIOR HOUSING DEVELOPMENT LOCATED AT 7TH STREET AND MYRTLE AVENUE,
APN'S, 001-261-020, AND -022

WHEREAS, the applicant has requested approval for a 36-unit multi-family residential senior housing complex, located at 7th Street and Myrtle Avenue, APN's, 001-261-020, and -022; and

WHEREAS, pursuant to Eureka Municipal Code §155.412.040(B)(1) all new buildings 500 square feet or more in the R2 zoning district must receive Design Review prior to construction; and

WHEREAS, the Design Review Committee of the City of Eureka did hold a duly noticed public hearing at City Hall in the City of Eureka on January 6, 2021, at 8:30 a.m. via Zoom, to consider the application; and

WHEREAS, the Design Review Committee of the City of Eureka has reviewed the subject application in accordance with Eureka Municipal Code §155.412.040, and after due consideration of all testimony, evidence, and reports offered at the public hearing, does hereby find and determine the following facts:

1. The proposed project is consistent with the General Plan, the Economic Development Plan and design policies and regulations adopted by the City Council.
2. The proposed project complies with all applicable provisions of the Zoning Code and Municipal Code.
3. The proposed development will not be detrimental to public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity.
4. The proposed project complies with all applicable Design Review criteria in Eureka Municipal Code §155.412.040(i) (Design Review Criteria).
5. The Design Review process is a discretionary action subject to environmental review in accordance with the California Environmental Quality Act (CEQA) and the project is categorically exempt from the provisions of the California Environmental Quality Act, Section 15332, In-Fill Development Projects, Class 32 of the CEQA Guidelines.

WHEREAS, the Design Review Committee of the City of Eureka recommended the applicant consider the following:

- A. Change the proposed Vine Maples to Golden Maples or similar tree that does not spread horizontally and is conducive to wind tolerance.
- B. Use aluminum instead of galvanized steel (something that can withstand a Marine Environment) on balcony railing, trellis, etc.
- C. Modify the paint colors of the balconies or consider painting a different portion of the building in a contrasting color(s).

WHEREAS, in the opinion of the Design Review Committee of the City of Eureka, the proposed application should be approved subject to the following conditions:

- A. Per Eureka Municipal Code §155.308.050 (Outdoor Lighting) the applicant must include the following information on the building plans:
 - i. The lights are *not* mercury vapor;
 - ii. Lighting of at least one-foot candle is provided over the entire parking lot, and;
 - iii. Light fixtures meet CA Green Building Standards.

- B. Per Eureka Municipal Code §155.328 (Landscaping) the applicant must include the following information with their building plans:
 - i. A landscaping maintenance plan for the replacement of diseased or dead plants;
 - ii. A WELO Landscape Design Plan and WELO Water Efficient Landscape Worksheet, and;
 - iii. Trees in landscaped planters closer than 5 feet from a public sidewalk must be planted with root barriers or root barrier.

NOW THEREFORE, BE IT RESOLVED the Design Review Committee of the City of Eureka does hereby approve the application, subject to the conditions listed above.

PASSED, APPROVED AND ADOPTED by the Design Review Committee of the City of Eureka in the County of Humboldt, State of California, on the 6th day of January, 2021 by the following vote:

AYES: COMMITTEE MEMBERS BANDUCCI, PEREZ, ELLSWORTH, BROWNING,
SCHNEIDER

NOES: NONE

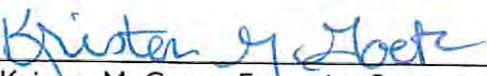
ABSENT: NONE

ABSTAIN: NONE



Kassidy Banducci, Chair,
Design Review Committee

Attest:



Kristen M. Goetz, Executive Secretary



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 485
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Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON HALL
Executive Director of CalHFA

EXECUTIVE DIRECTOR
NANCEE ROBLES

October 1, 2021

Chris Dart
Eureka Myrtle Ave LP
5251 Ericson Way
Arcata, CA 95521

Email: cdart@danco-group.com
crdc@shasta.com

RE: CA-21-070 / Eureka 7th & Myrtle Affordable Housing

Dear Mr. Dart,

This letter is in response to the 2nd appeal letter dated September 24, 2021 and received on September 27, 2021 to the California Tax Credit Allocation Committee (CTCAC) regarding the above-referenced project final tie breaker score reduction from 54.170% to 46.337% due to the exclusion of ineligible off-site costs totaling \$1,125,900 from final tie breaker score calculation.

The 2nd appeal letter stated there was a misunderstanding of the landscaping costs and then cited the City of Eureka's text in the DDA where it states the project is required to complete common area landscaping, not public landscaping. You explained that CTCAC does not require a trade item breakdown so the landscaping was not specifically called out. The 2nd appeal letter noted the previous reference to the DDA was solely to confirm the off-site costs were required by the City as a condition of the project.

Following review of the 2nd appeal letter, the application and CTCAC regulations, I concur with staff's determination for the reasons outlined in the original point letter dated September 10, 2021 and the 1st appeal response letter dated September 23, 2021. Staff is not questioning the off-site costs being a condition of funding from the City. Staff is unable to exclude the off-site costs associated with the public landscaping item noted in the City of Eureka letter dated January 12, 2018. In previous conversation with staff, you stated costs outlined in that letter, which included public landscaping, were still required. My understanding is that the costs for the public landscaping costs were not included in the IIG line item but rather in a different line item in the construction costs section. Since the specific dollar amount for the public landscaping is not identified in the Sources

and Uses Budget, the amount for that ineligible off-site cost cannot be excluded from the final tie breaker score calculation. As a result, the appeal is not granted.

Please feel free to contact Anthony Zeto at azeto@treasurer.ca.gov should you have any questions or concerns. If you wish to appeal this decision to the Committee, you may submit a final written appeal, along with a \$500 appeal fee, that must be received by CTCAC no later than 5:00 pm on October 6, 2021. Please address any written appeal to CTCAC's mailing address, and staff will distribute it to the Committee for consideration at the next CTCAC meeting.

Sincerely,

A handwritten signature in blue ink that reads "Nancee Robles". The signature is written in a cursive, flowing style.

Nancee Robles
Executive Director

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Danco Builders Northwest
DT Builders
Danco Communities
Danco Property Management
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September 24, 2021

Anthony Zeto
Deputy Director, TCAC
916 Capitol Mall, Suite 485
Sacramento, CA 95814

RE: CA-21-070 / Eureka 7th & Myrtle / Second Appeal Letter

Dear Mr. Zeto,

Per the instructions of TCAC staff's letter dated September 23, 2021, please accept this second official appeal letter regarding the tie breaker reduction of the Eureka 7th & Myrtle affordable housing project located in Eureka, California. There is still confusion around what off-site costs are to be included in the tie breaker calculation.

We believe that TCAC has rejected our appeal because of a misunderstanding about landscaping costs. Below we highlight the fact that the City of Eureka's wording in the DDA states that they require the project to complete certain *on-site* and *off-site* improvements. They also specify that the developer is required to complete *common area landscaping* (on-site), not *public landscaping*. They even list the building in this excerpt, which is clearly an on-site improvement. In this application all of the landscaping costs are included in the Structures line item under the Sources & Uses Budget tab of the Application and are on-site. TCAC doesn't require a trade item breakdown and so the landscaping costs were not called out.

From the City of Eureka's DDA: "(s) "Improvements" means the 36-unit, three story elevator building and related **on-site** and **off-site** improvements to be constructed on the Property as required by the City pursuant to Section 2.4 and/or Section 2.10, including but not limited to, streets, sidewalks, storm drains, sanitary sewers, utility connections, **common area** landscaping, and other related improvements. The developer shall be solely responsible for all costs associated with the Improvements."

The sole reason for citing the DDA in our last appeal letter was to prove that the eligible off-site costs listed in TAB 12 are, in fact, required by the City as a condition of the project. It wasn't meant to confirm what costs were included in our application as on-site, general off-site or eligible off-site.

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We do maintain that the eligible off-sites shown below, as defined and quantified in TAB 12, meet Regulation Section 10325(c)(9)(A). There are no landscaping costs or any other ineligible off-site costs listed in this section of the application.

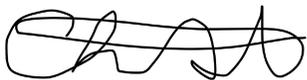
- Remove and replace all sidewalks, drive entrances surrounding the site - \$527,550
- Utility connections including water/sewer/gas, electric, cable TV, phone and storm water - \$598,350

We acknowledge that we did list these costs under the line item called IIG under New Construction. This may have been confusing to reviewers as eligible and ineligible off-site costs are expected to be seen in the Land Cost/Acquisition section of the Sources & Uses Budget. We see these costs as a part of the construction project (construction contract), and so listed them under this header.

In closing, the full amount of eligible off-site costs of \$1,125,900, which are required by the City of Eureka as a condition to develop the project, and which were quantified under TAB 12 should be left in the tie breaker calculation as they meet the definition in Regulation Section 10325(c)(9)(A).

If you wish for further clarification, please contact me at the below phone or email.

Sincerely,



Chris Dart
President, Danco Communities
(707) 825-1531
cdart@danco-group.com



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Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON HALL
Executive Director of CalHFA

EXECUTIVE DIRECTOR
NANCEE ROBLES

September 23, 2021

Chris Dart
Eureka Myrtle Ave LP
5251 Ericson Way
Arcata, CA 95521

Email: cdart@danco-group.com
crdc@shasta.com

RE: CA-21-070 / Eureka 7th & Myrtle Affordable Housing

Dear Mr. Dart,

This letter is in response to the appeal letter dated September 15, 2021 and received on September 16, 2021 of the California Tax Credit Allocation Committee (CTCAC) final tie breaker score reduction from 54.170% to 46.337% for the above-referenced project. CTCAC staff excluded the ineligible off-site costs, in the amount of \$1,125,900, from the soft financing numerator and total residential project cost denominators of the final tie breaker calculation.

The appeal letter stated that the costs were eligible off-site costs because they were required by the City of Eureka and cited the DDA for a description of the off-site costs, which included "streets, sidewalks, storm drains, sanitary sewers, utility connections, common area landscaping, and other related improvements." You also cited CTCAC Application Attachment 12 ("Attachment 12") where you reference the breakdown of the \$1,125,900 into two categories. The appeal letter also noted an additional \$125,100 in engineering costs to be funded by the Infill Infrastructure Grant.

Following review of the appeal letter, the application and CTCAC regulations, I concur with staff's determination for the reasons outlined in the original point letter dated September 10, 2021. While there are two subtotals of the off-site costs provided in Attachment 12, the language you cited in the DDA included items such as landscaping that do not qualify as eligible off-site costs under CTCAC Regulation Section 10325(c)(9)(A). Since it is unknown the dollar amount attributable to each off-site cost, CTCAC staff is unable to determine the amount to be excluded. As a result, the entire \$1,125,900 remains excluded from the soft financing numerator and total residential project cost denominators of the final tie breaker calculation and the appeal is not granted.

Please feel free to contact me at azeto@treasurer.ca.gov should you have any questions or concerns. If you wish to appeal this decision, you may email your appeal in writing to Executive Director Nancee Robles at nancee.robles@treasurer.ca.gov and cc me at azeto@treasurer.ca.gov. Your appeal must be received by CTCAC no later than September 28, 2021.

Sincerely,



Anthony Zeto
Deputy Executive Director

Danco Builders
Danco Builders Northwest
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September 15, 2021

Anthony Zeto
Deputy Director, TCAC
916 Capitol Mall, Suite 485
Sacramento, CA 95814

RE: CA-21-070 / Eureka 7th & Myrtle / Appeal Letter

Dear Mr. Zeto,

Per the instructions of TCAC staff's letter dated September 10, 2021, please accept this official appeal letter regarding the tie breaker reduction of the Eureka 7th & Myrtle affordable housing project located in Eureka, California.

TCAC staff proposes that the project's tie breaker be reduced from 54.170% to 46.337% due to the claim that the off-site costs totaling \$1,125,900 noted in TAB 12, ATTACHMENT 12 (*Exhibit A*) that are directly bordering the project site should not be counted for tie breaker purposes because they don't meet Regulation Section 10325(c)(9)(A) which states:

"Public contributions of off-site costs shall not be counted competitively, unless (1) documented as a waived fee pursuant to a nexus study and relevant State Government Code provisions regulating such fees or (2) the off-sites must be developed by the sponsor as a condition of local approval and those off-sites consist solely of utility connections, and curbs, gutters, and sidewalks immediately bordering the property. Public funds shall be reduced for tie breaker scoring purposes by an amount equal to the off-sites not meeting the requirements noted in this paragraph."

We believe that this project satisfies the above regulation because the off-site costs listed in ATTACHMENT 12 *are* required by the City of Eureka. Although the letter that had been submitted in previous applications under TAB 20 (*Exhibit B*), stating that various infrastructure improvements are required by the City of Eureka, wasn't included in this current application, page four of the DDA (*Exhibit C*) with the City of Eureka included in TAB 1 and TAB 15 of the current application states:

"(s) "Improvements" means the 36 unit, three story elevator building and related on-site and off-site improvements to be constructed on the Property as required by the City pursuant to Section 2.4 and/or Section 2.10, including but not limited to, streets, sidewalks, storm drains, sanitary sewers, utility

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connections, common area landscaping, and other related improvements. The developer shall be solely responsible for all costs associated with the Improvements.”

This excerpt from the DDA proves that the off-sites quantified in TAB 12 (utility connections, curbs, gutters, and sidewalks immediately bordering the property) must be developed by the sponsor as a condition of local approval, and therefore proves compliance with Section 10325(c)(9)(A).

TCAC's letter states that there is no cost breakdown of off-sites accompanying the application. However, there was a breakdown and declaration of costs of off-sites in TAB 12, as stated below:

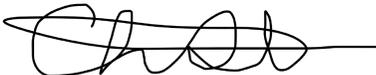
- Remove and replace all sidewalks, drive entrances surrounding the site - \$527,550
- Utility connections including water/sewer/gas, electric, cable TV, phone and storm water - \$598,350

Furthermore, the above costs, as well as an additional \$125,100 in engineering costs, were included in the Sources and Uses Budget tab of the Application under the line item "IIG" on row 37. The project was awarded IIG funds in the amount of \$1,251,000 as proven with the IIG award letter included in TAB 15 of the application. Per Section 304. of the IIG guidelines, eligible costs include water, sewer and other utility service improvements (including internet infrastructure) and engineering costs. (*Exhibit D*)

In closing, the \$1,251,100 listed in the Final Tie Breaker tab of the Application file should be counted in full towards the tie breaker score because IIG is a soft fund awarded to the project for eligible costs which are required by the City of Eureka as a condition to develop the project.

If you wish for further clarification, please contact me at the below phone or email.

Sincerely,



Chris Dart
President, Danco Communities
(707) 825-1531
cdart@danco-group.com

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Exhibit A

(2) Project-specific off-site costs (off-sites that immediately border the project site)

a. Off-site costs meeting the requirements under TCAC Regulation Section 10325(c)(9) as public contributions of off-site costs.

- Remove and replace all sidewalks, drive entrances surrounding the site - \$527,550
- Utility connections including water/sewer/gas, electric, cable TV, phone and storm water
- \$598,350

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Exhibit B



CITY of EUREKA

CITY OF EUREKA
PUBLIC WORKS DEPARTMENT
531 K Street • Eureka, California 95501-1146 • Fax 707-441-4202
Administration: 707-441-4203 • Engineering: 707-441-4194
Building: 707-441-4155 • Utility Operations: 707-441-4364
publicworks@ci.eureka.ca.gov • www.ci.eureka.ca.gov

January 12, 2018

Chris Dart, President
Danco Communities
5251 Ericson Way
Arcata, California 95521

Re: City of Eureka Infrastructure Requirements – 7th and Myrtle

Dear Mr. Dart:

In response to Danco Communities' proposal to construct 36 dwelling units in a new, four-story building on the southwest corner of Myrtle Avenue and 7th Street, APN 001-261-022, along with a 9-space overflow parking lot, APN 002-114-002, the following infrastructure improvements will be required:

- Repair/replacement of existing sidewalks
- Accessible ramps and driveway aprons
- Striping
- Traffic dividers
- Public drainage facilities
- Wetland mitigation
- Utility connections – water and sewer
- Public landscaping

Should you have any questions regarding the scope of these improvements, please do not hesitate to contact me.

Best regards,



Brian Gerving
Director of Public Works

Engineering
Construction
Development
Transportation

Field Operations
Water Distribution
Wastewater Collection
Equipment Operations

Building
Construction Regulation
Code Enforcement

Utility Operations
Water and Wastewater Treatment
Stormwater
Pretreatment

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Exhibit C

(s) "Improvements" means the 36 unit, three story elevator building and related on-site and off-site improvements to be constructed on the Property as required by the City pursuant to Section 2.4 and/or Section 2.10, including but not limited to, streets, sidewalks, storm drains, sanitary sewers, utility connections, common area landscaping, and other related improvements. The Developer shall be solely responsible for all costs associated with the Improvements.

(t) "Parties" means the City and the Developer.

(u) "Permitted Exceptions for the Property" means the exceptions to title to the Property as listed in the attached Exhibit C.

(v) "Property" means the real property described in the attached Exhibit A.

(w) "Transfer" has the meaning given in Section 7.1.

Section 1.2 Exhibits.

The following exhibits are attached to and incorporated into this Agreement:

Danco Builders
 Danco Builders Northwest
 DT Builders
 Danco Communities
 Danco Property Management
 Danco Supportive Services
 Western Living Concepts

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Exhibit D

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					1)Pacific Western Bank	2)City of Eureka - Soft Loan	3)City of Eureka - Land	4)IIG	5
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY					
2									
3	LAND COST/ACQUISITION								
28	NEW CONSTRUCTION								
		agency or federal agency.							
29	Site Work	\$694,620	\$694,620	\$694,620					
30	Structures	\$5,562,834	\$5,562,834	\$2,683,814	\$2,816,121				
31	General Requirements	\$375,447	\$375,447	\$375,447					
32	Contractor Overhead	\$132,658	\$132,658	\$132,658					
33	Contractor Profit	\$397,974	\$397,974	\$397,974					
34	Prevailing Wages								
35	General Liability Insurance	\$91,693	\$91,693	\$91,693					
36	Third-party Construction Management								
37	IIG	\$1,251,000	\$1,251,000					\$1,251,000	
38	Total New Construction Costs	\$8,506,227	\$8,506,227	\$4,376,207	\$2,816,121			\$1,251,000	
39	ARCHITECTURAL FEES								
40		\$573,000	\$573,000	\$573,000					

<https://www.hcd.ca.gov/grants-funding/active-funding/iigp/docs/iig-guidelines.pdf>

Section 304. Eligible costs

- (a) Program grant funds must be used for reasonable and necessary costs of a Capital Improvement Project. Costs must be reasonable compared to similar infrastructure projects of modest design in the general area of the Capital Improvement Project. Eligible costs include the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvements of the following:
- (1) The creation, development, or rehabilitation of Parks or Open Space.
 - (2) Water, sewer, or other utility service improvements (including internet infrastructure), including relocation of such improvements.
- (13) Soft costs such as those incidentally but directly related to construction or other pre-development components including, but not limited to, planning, engineering, construction management, architectural, and other design work, required mitigation expenses such as mitigation design or testing, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 10 percent of costs associated with the funding request for the Capital Improvement Project.



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 485
Sacramento, CA 95814
p (916) 654-6340
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www.treasurer.ca.gov/ctcac

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Executive Director of CalHFA

EXECUTIVE DIRECTOR
NANCEE ROBLES

September 10, 2021

Chris Dart
Eureka Myrtle Ave LP
5251 Ericson Way
Arcata, CA 95521

Email: cdart@danco-group.com
crdc@shasta.com

RE: CA-21-070 / Eureka 7th & Myrtle Affordable Housing

Dear Mr. Dart,

Following your submission for the California Tax Credit Allocation Committee (CTCAC) second 2021 tax credit funding cycle, staff has reviewed your application to determine its total score. This review was performed only for scoring purposes: It does not verify application completeness, project eligibility, or the likelihood of funding. Additionally, CTCAC has requested the Local Reviewing Agency's comments. If the response suggests that points may have been erroneously awarded we may revisit the scoring. Initial scoring is as follows:

	<u>Points Requested</u>	<u>Points Awarded</u>
1. General Partner Experience	7	7
2. Management Experience	3	3
3. Housing Needs	10	10
4. Site Amenities	15	15
5. Service Amenities	10	10
6. Lowest Income	52	52
7. Readiness to Proceed	10	10
8. Miscellaneous Federal and State Policies	2	2
TOTAL	109	109

CTCAC has calculated your Final Tie Breaker score and the score is **46.337%**.

In the application, the final tie breaker self-score is 54.170%. For purposes of the final tie breaker, CTCAC views all funds as fungible and treats all off-site costs as paid for with public funds. Under CTCAC Regulation Section 10325(c)(9)(A) only a narrow type of off-site costs for curbs, sidewalks, gutters, and utility connections immediately bordering the property qualify as public funds in the final tie breaker. CTCAC staff excluded the ineligible off-site costs, in the amount of \$1,125,900, from the soft financing numerator and total residential project cost denominators of the final tie breaker calculation. While no off-sites were noted in the Sources and Uses Budget, there were references in Tab 12 to off-site costs totaling the \$1,125,900 and the applicant confirmed the off-site costs were still required by the City of Eureka. Since no cost breakdown accompanied the off-site costs in order to determine which costs were eligible and which ones were not, the entire \$1,125,900 was excluded from soft financing numerator and total residential project cost denominators of the final tie breaker calculation.

If you would like to discuss the Final Tie Breaker scoring informally, please contact Connie Harina at connie.harina@treasurer.ca.gov. If you would like to formally appeal staff's scoring, you must do so in writing and it must be received by CTCAC no later than September 17, 2021. Your appeal must be sent via email to Anthony Zeto, Deputy Director, at Anthony.Zeto@treasurer.ca.gov and should specifically identify the grounds for the appeal based on the existing documentation submitted in your originally filed application. No fee is required for this appeal. You may not appeal any other applicant's score.

Point letters are being sent as the scoring is completed. Therefore, please do not contact Committee staff about other projects' scoring letters since individual letters will be sent later as the scores are determined. CTCAC will not score applications that are not fundable based upon self-scoring.

Please do not rely on this point score for a future application as point reductions may have been made in point categories that did not affect the net score received in the point category. If you have any questions regarding any possible point reductions that did not ultimately affect the point score, please contact **Brett Andersen** after the final awards have been made.

We appreciate your interest in the Tax Credit program and look forward to continuing to work with you to bring your project to fruition.

Sincerely,



Carmen Doonan
Development Program Manager

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-096	Tahiti Apartment Homes 11850 Beach Blvd Stanton, CA 90680 Orange County	Beach2 Housing Partners LP Mario Turner	JHC-Beach2 MGP LLC Mario Turner	Jamboree Housing Corporation Mario Turner	Balubhai Patel	Union Bank GP Loan (Project Homekey Funds) City of Stanton County of Orange
CA-21-117	Westview Village II 232 W. Flint Street and 270 W. Warner Street Ventura, CA 93001 Ventura County	Westview Village II LP Denise M. Wise	Westview Village II LLC Denise M. Wise	Homecomings, Inc. Karen Flock	Housing Authority of the City of San Buenaventura Denise M. Wise	Wells Fargo County of Ventura (HOME/CDBG-DR) CCRC
CA-21-170	San Jacinto Manor 1762 S Santa Fe Ave. San Jacinto, CA 92583 Riverside County	San Jacinto Manor, LP Ronald D. Bettencourt	Bettencourt Properties, Inc. Ronald D. Bettencourt The Beneficial Housing Foundation Kimberley B. McClintock	Community Preservation Partners, LLC Karen Buckland	San Jacinto Manor Associates Limited Partnership Stuart Hartman	Bonneville USDA 538 USDA RHS 515

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Tahiti Apartment Homes, located at 11850 Beach Blvd in Stanton, requested and is being recommended for a reservation of \$1,861,974 in annual federal tax credits to finance the adaptive reuse of 59 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Jamboree Housing Corporation and is located in Senate District 29 and Assembly District 65.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-096

Project Name Tahiti Apartment Homes
Site Address: 11850 Beach Blvd
Stanton, CA 90680 County: Orange
Census Tract: 879.020

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,861,974	\$0
Recommended:	\$1,861,974	\$0

Applicant Information

Applicant: Beach2 Housing Partners LP
Contact: Mario Turner
Address: 17701 Cowan Ave Suite 200
Irvine, CA 92614 CA 92614
Phone: 949-208-3949
Email: mturner@jamboreehousing.com

General Partner(s) / Principal Owner(s): JHC-Beach2 MGP LLC
General Partner Type: Nonprofit
Parent Company(ies): Jamboree Housing Corporation
Developer: Jamboree Housing Corporation
Investor/Consultant: Union Bank
Management Agent(s): American Family Housing

Project Information

Construction Type: Adaptive Reuse
Total # Residential Buildings: 2
Total # of Units: 60
No. & % of Tax Credit Units: 59 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (59 units - 100%)

Information

Set-Aside: N/A
Housing Type: Special Needs
Type of Special Needs: Homeless/formerly homeless
Average Targeted Affordability of Special Needs/SRO Project Units: 30.00%
% of Special Need Units: 59 units 100.00%
Geographic Area: Orange County
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 59	80%

Unit Mix

59 SRO/Studio Units
1 1-Bedroom Units
<u>60 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
59 SRO/Studio	30%	\$706
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$10,630,000
Construction Costs	\$10,416,720
Rehabilitation Costs	\$0
Construction Contingency	\$1,384,617
Relocation	\$0
Architectural/Engineering	\$813,800
Const. Interest, Perm. Financing	\$962,162
Legal Fees	\$260,000
Reserves	\$1,054,809
Other Costs	\$6,829,140
Developer Fee	\$2,104,606
Commercial Costs	\$0
Total	\$34,455,854

Residential

Construction Cost Per Square Foot:	\$232
Per Unit Cost:	\$574,264
True Cash Per Unit Cost*:	\$557,598

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Union Bank	\$14,472,580	Union Bank	\$1,435,000
City of Stanton - Land Lease	\$1,000,000	City of Stanton - Land Lease	\$1,000,000
City of Stanton	\$1,961,438	City of Stanton	\$1,961,438
County of Orange	\$2,400,000	County of Orange	\$2,400,000
County of Orange COSR	\$1,458,314	County of Orange COSR	\$1,458,314
GP Loan: Project Homekey	\$9,600,000	GP Loan: Project Homekey	\$9,600,000
Deferred Costs	\$2,042,912	Tax Credit Equity	\$16,601,102
Tax Credit Equity	\$1,520,610	TOTAL	\$34,455,854

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$13,875,520
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$5,963,488
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$18,038,176
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$5,963,488
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,623,434
Maximum Annual Federal Credit, Acquisition:	\$238,540
Total Maximum Annual Federal Credit:	\$1,861,974
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,104,606
Investor/Consultant:	Union Bank
Federal Tax Credit Factor:	\$0.89159

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	78.151%

Significant Information / Additional Conditions

Development costs are roughly \$557,598 per unit. The factors affecting this cost includes high land costs in Orange County, mitigation costs for lead paint and asbestos, and the requirement to pay prevailing wages.

The proposed rent does not include a utility allowance. The owner will pay for all utilities.

This project will include the adaptive reuse of an existing 60-room motel built in 1960 and rehabilitated in 2009. The site is currently being used as transitional housing under Project Homekey. Upon completion, the project will include 59 LIHTC units and 1 manager’s unit.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	0
Housing Needs	10	10	7
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Special Needs project within 1 mile of facility serving tenant population	2	2	2
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	106

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Westview Village II, located at 232 W. Flint Street and 270 W. Warner Street in Ventura, requested and is being recommended for a reservation of \$2,022,980 in annual federal tax credits to finance the new construction of 49 units of housing serving seniors with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Homecomings, Inc. and will be located in Senate District 19 and Assembly District 37.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers and HCD IIG funds.

Project Number CA-21-117

Project Name Westview Village II
Site Address: 232 W. Flint Street and 270 W. Warner Street
Ventura, CA 93001 County: Ventura
Census Tract: 23.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,022,980	\$0
Recommended:	\$2,022,980	\$0

Applicant Information

Applicant: Westview Village II LP
Contact: Denise M. Wise
Address: 995 Riverside Street
Ventura, CA 93001
Phone: 805-648-5008
Email: dwise@hacityventura.org

General Partner(s) / Principal Owner(s): Westview Village II LLC
General Partner Type: Nonprofit
Parent Company(ies): Homecomings, Inc.
Developer: Homecomings, Inc.
Investor/Consultant: California Housing Partnership
Management Agent(s): Housing Authority of the City of San Buenaventura

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 50
No. & % of Tax Credit Units: 49 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Home/ CDBG (27 Units - 52%)

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Central Coast Region
TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>	
At or Below 30% AMI:	10	20%
At or Below 45% AMI:	8	16%
At or Below 50% AMI:	17	34%
At or Below 60% AMI:	14	28%

Unit Mix

44 1-Bedroom Units
<u>6 2-Bedroom Units</u>
50 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	30%	\$631
5 1 Bedroom	45%	\$685
11 1 Bedroom	50%	\$685
6 1 Bedroom	60%	\$685
4 1 Bedroom	30%	\$630
1 2 Bedrooms	30%	\$756
3 1 Bedroom	45%	\$945
6 1 Bedroom	50%	\$1,051
4 1 Bedroom	60%	\$1,261
4 2 Bedrooms	60%	\$1,513
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,566,457
Construction Costs	\$21,653,859
Rehabilitation Costs	\$0
Construction Contingency	\$1,470,896
Relocation	\$0
Architectural/Engineering	\$1,253,280
Const. Interest, Perm. Financing	\$2,312,800
Legal Fees	\$640,661
Reserves	\$151,575
Other Costs	\$1,871,590
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$35,121,118

Residential

Construction Cost Per Square Foot:	\$464
Per Unit Cost:	\$702,422
True Cash Per Unit Cost*:	\$699,271

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Wells Fargo	\$24,698,185	CCRC	\$4,341,500
Seller Note	\$1,614,460	Seller Note	\$1,614,460
HACSB - Development Loan	\$2,000,000	HACSB - Development Loan	\$2,000,000
County of Ventura HOME	\$660,011	County of Ventura HOME	\$660,011
County of Ventura CDBG-DR	\$805,549	County of Ventura CDBG-DR	\$805,549
HCD IIG	\$2,492,956	HCD IIG	\$2,492,956
Costs Deferred Until Conversion	\$921,423	City of Ventura CDBG	\$4,529,506
Deferred Developer Fee	\$157,578	Deferred Developer Fee	\$157,578
Tax Credit Equity	\$1,770,956	Tax Credit Equity	\$18,519,558
		TOTAL	\$35,121,118

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$17,290,430
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$22,477,559
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,022,980
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.91546

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	Seniors
Second:	64.049%

Significant Information / Additional Conditions:

Staff noted a per-unit development cost of \$699,271. The applicant noted that the high per unit cost is attributed to the relocation plan within the application.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, City of San Buenaventura, Community Development Department, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Other Services Specialist, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

San Jacinto Manor, located at 1762 S. Santa Fe Ave in San Jacinto, requested and is being recommended for a reservation of \$593,242 in annual federal tax credits to finance the acquisition and rehabilitation of 65 units of housing serving seniors with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Community Preservation Partners and is located in Senate District 23 and Assembly District 42.

The project will be receiving rental assistance in the form of USDA 521 Rental Assistance.

Project Number CA-21-170

Project Name San Jacinto Manor
Site Address: 1762 S Santa Fe Ave
San Jacinto CA 92583 County: Riverside
Census Tract: 435.070

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$593,242	\$0
Recommended:	\$593,242	\$0

Applicant Information

Applicant: San Jacinto Manor, LP
Contact: Ronald D. Bettencourt
Address: 1010 Raquet Club Dr., Suite 106
Auburn, CA 95603
Phone: 805.439.0328
Email: whitecapcoastal@sbcglobal.net

General Partner(s) / Principal Owner(s): Bettencourt Properties, Inc.
The Beneficial Housing Foundation
General Partner Type: Joint Venture
Parent Company(ies): Bettencourt Properties, Inc.
The Beneficial Housing Foundation
Developer: Community Preservation Partners, LLC
Investor/Consultant: WNC & Associates, Inc.
Management Agent(s): AWI Management Corporation

Project Information

Construction Type: Acquisition & Rehabilitation
Total # Residential Buildings: 16
Total # of Units: 66
No. & % of Tax Credit Units: 65 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: USDA 515/ USDA 521 (52 units - 78%)

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Inland Empire Region
TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 7	10%
At or Below 40% AMI: 13	20%
At or Below 50% AMI: 20	30%
At or Below 60% AMI: 25	76%

Unit Mix

60 1-Bedroom Units
<u>6 2-Bedroom Units</u>
66 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
6 1 Bedroom	30%	\$444
1 2 Bedrooms	30%	\$533
13 1 Bedroom	40%	\$592
20 1 Bedroom	50%	\$740
21 1 Bedroom	60%	\$888
4 2 Bedrooms	60%	\$1,066
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,307,322
Construction Costs	\$0
Rehabilitation Costs	\$4,578,900
Construction Contingency	\$441,000
Relocation	\$99,500
Architectural/Engineering	\$160,000
Const. Interest, Perm. Financing	\$629,887
Legal Fees	\$175,000
Reserves	\$347,500
Other Costs	\$216,873
Developer Fee	\$1,096,619
Commercial Costs	\$0
Total	\$12,052,601

Residential

Construction Cost Per Square Foot:	\$102
Per Unit Cost:	\$182,615
True Cash Per Unit Cost*:	\$182,148

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Bonneville Multifamily Capital	\$8,195,000	Bonneville USDA 538	\$4,682,000
USDA 515 Loan	\$1,670,626	USDA 515 Loan	\$1,670,626
Replacement Reserves	\$287,322	Replacement Reserves	\$287,322
Income from Operations	\$339,239	Income from Operations	\$339,239
Deferred Developer Fee	\$636,348	Deferred Developer Fee	\$30,861
Tax Credit Equity	\$924,066	Tax Credit Equity	\$5,042,553
		TOTAL	\$12,052,601

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$5,066,050
130% High Cost Adjustment:	Yes
Requested Eligible Basis:	\$52,800
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$6,585,866
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$52,800
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$591,129
Maximum Annual Federal Credit, Acquisition:	\$2,112
Total Maximum Annual Federal Credit:	\$593,242
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,096,619
Investor/Consultant:	WNC & Associates, Inc.
Federal Tax Credit Factor:	\$0.85000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Seniors
Final:	50.045%

Significant Information / Additional Conditions: None

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
In-unit high speed internet service	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.



California Tax Credit Allocation Committee

AGENDA ITEM 7

**Recommendation for Reservation of 2021
Second Round Federal Nine Percent (9%)
and State Low Income Housing Tax Credits
(LIHTCs)**

2021 Second Round Preliminary Recommendations for the Set-Aside Projects - REVISED

October 20, 2021

NONPROFIT SET ASIDE

Set-Aside Credit Available
\$3,961,600

1	109.00	98.597%	CA-21-095	78 Haight Street - NPHA	San Francisco	Special Needs	\$2,500,000	\$2,692,243
2	109.00	94.658%	CA-21-146	Stanton Apartment Homes - NPHA	Stanton	Special Needs	\$1,559,003	\$0
							<u>\$4,059,003</u>	<u>\$2,692,243</u>
							Remaining Balance in Set-Aside	(\$97,403)

RURAL SET ASIDE

Set-Aside Credit Available
\$9,961,101

3	109.00	39.991%	CA-21-097	People's Place - HOME	Santa Paula	Large Family	\$2,433,209	\$0
4	109.00	59.654%	CA-21-165	Village Green II	Sonoma	Seniors	\$715,474	\$0
5	109.00	50.176%	CA-21-156	PARLIER PLAZA / GARDEN VALLEY HOMES II	Parlier/San Joaquin	Large Family	\$813,279	\$330,514
6	109.00	48.384%	CA-21-061	Lindsay Senior Villa	Lindsay	At-Risk	\$546,101	\$0
7	109.00	47.463%	CA-21-173	Sherwood Avenue Family Apartments	McFarland	Large Family	\$1,957,663	\$0
8	109.00	46.337%	CA-21-070	Eureka 7th & Myrtle Affordable Housing	Eureka	Seniors	\$1,038,174	\$0
9	109.00	45.515%	CA-21-110	Sonora Garden Apartments	Sonora	Large Family	\$530,235	\$0
10	109.00	43.918%	CA-21-147	Kern County Apartments	Arvin/McFarland/Shafter/Wasco	At-Risk	\$1,041,888	\$3,472,960
11	109.00	43.513%	CA-21-118	Los Arroyos II	Farmersville	Large Family	\$1,609,203	\$0
							<u>\$10,685,226</u>	<u>\$3,803,474</u>
							Remaining Balance in Set-Aside	(\$724,125)

AT-RISK SET-ASIDE

Set-Aside Credit Available
\$2,162,965

12	109.00	34.455%	CA-21-151	Casa Sonoma Apartments	Calexico	At-Risk	\$644,715	\$1,549,636
13	109.00	12.692%	CA-21-088	Hellenic Seniors Center	Sacramento	At-Risk	\$774,121	\$0
14	108.00	6.501%	CA-21-154	Gloria Drive Apartments	Sacramento	At-Risk	\$1,114,732	\$3,699,710
							<u>\$2,533,568</u>	<u>\$5,249,346</u>
							Remaining Balance in Set-Aside	(\$370,603)

SPECIAL NEEDS/SRO SET-ASIDE

Set-Aside Credit Available
\$0

NO RECOMMENDED PROJECTS IN SET-ASIDE

	\$0	\$0
Remaining Balance in Set-Aside	\$0	\$0

Total Annual Federal Credits from Set-Aside Projects	\$17,277,797	Total State Credits from Set-Aside Projects	\$11,745,063
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2021 Second Round Preliminary Recommendations for the Geographic Regions - REVISED

October 20, 2021

Funding Order	Point Score	Final Tie Breaker Score	Project Number	Project Name	Housing Type	Federal Credits	State Credits	Federal/State
<u>CITY OF LOS ANGELES</u>				Geographic Region Credit Available \$8,250,478				
15	109.00	58.912%	CA-21-176	Jordan Downs Area H2A	Large Family	\$2,500,000	\$0	\$2,500,000
26	109.00	1.544%	CA-21-094	Lucena on Court	Large Family	\$2,069,100	\$3,400,000	\$2,409,100
29	109.00	63.860%	CA-21-163	4507 Main St.	Special Needs	\$2,107,826	\$0	\$2,107,826
						\$6,676,926	\$3,400,000	\$7,016,926
						Remaining Balance in Geographic Region		\$1,233,552
<u>BALANCE OF LOS ANGELES COUNTY</u>				Geographic Region Credit Available \$4,852,060				
16	109.00	78.270%	CA-21-084	The Cove (CVC Phase VI)	Special Needs	\$2,500,000	\$4,489,810	\$2,948,981
27	109.00	70.650%	CA-21-115	The Laurel	Special Needs	\$2,500,000	\$0	\$2,500,000
						\$5,000,000	\$4,489,810	\$5,448,981
						Remaining Balance in Geographic Region		(\$596,921)
<u>CENTRAL VALLEY REGION</u>				Geographic Region Credit Available \$4,197,986				
17	109.00	72.159%	CA-21-063	Sonora Square	Special Needs	\$1,033,455	\$0	\$1,033,455
28	109.00	66.859%	CA-21-148	Sagewood	Large Family HR	\$1,513,498	\$0	\$1,513,498
30	109.00	60.349%	CA-21-101	Sun Lodge	Large Family	\$2,051,057	\$0	\$2,051,057
						\$4,598,010	\$0	\$4,598,010
						Remaining Balance in Geographic Region		(\$400,024)
<u>SAN DIEGO COUNTY</u>				Geographic Region Credit Available \$2,987,816				
18	109.00	83.774%	CA-21-119	Nestor Senior Village	Special Needs	\$1,688,933	\$0	\$1,688,933
						\$1,688,933	\$0	\$1,688,933
						Remaining Balance in Geographic Region		\$1,298,883
<u>INLAND EMPIRE REGION</u>				Geographic Region Credit Available \$2,670,848				
19	109.00	70.830%	CA-21-108	Entrada Apartments	Large Family	\$2,500,000	\$0	\$2,500,000
						\$2,500,000	\$0	\$2,500,000
						Remaining Balance in Geographic Region		\$170,848

2021 Second Round Preliminary Recommendations for the Geographic Regions - REVISED

October 20, 2021

Funding Order	Point Score	Final Tie Breaker Score	Project Number	Project Name	Housing Type	Federal Credits	State Credits	Federal/State
<u>EAST BAY REGION</u>				Geographic Region Credit Available \$3,792,753				
20	109.00	78.843%	CA-21-181	Downtown Livermore Apartments South	Special Needs	\$2,500,000	\$6,410,256	\$3,141,026
						\$2,500,000	\$6,410,256	\$3,141,026
						Remaining Balance in Geographic Region		\$651,727
<u>ORANGE COUNTY*</u>				Geographic Region Credit Available \$2,441,469				
21	109.00	65.901%	CA-21-107	Anaheim Midway	Large Family	\$2,272,475	\$0	\$2,272,475
						\$2,272,475	\$0	\$2,272,475
						Remaining Balance in Geographic Region		\$168,994
<u>SOUTH AND WEST BAY REGION</u>				Geographic Region Credit Available \$1,560,734				
22	109.00	36.088%	CA-21-150	Bay Oaks Apartments	Large Family	\$1,210,654	\$0	\$1,210,654
						\$1,210,654	\$0	\$1,210,654
						Remaining Balance in Geographic Region		\$350,080
<u>CAPITAL REGION</u>				Geographic Region Credit Available \$2,147,900				
23	109.00	71.620%	CA-21-086	Cornerstone North by Mutual Housing	Large Family	\$1,369,705	\$0	\$1,369,705
						\$1,369,705	\$0	\$1,369,705
						Remaining Balance in Geographic Region		\$778,195
<u>CENTRAL COAST REGION**</u>				Geographic Region Credit Available \$1,619,646				
24	109.00	40.613%	CA-21-076	Cypress & 7th	Special Needs	\$614,075	\$0	\$614,075
						\$614,075	\$0	\$614,075
						Remaining Balance in Geographic Region		\$1,005,571

2021 Second Round Preliminary Recommendations for the Geographic Regions - REVISED

October 20, 2021

Funding Order	Point Score	Final Tie Breaker Score	Project Number	Project Name	Housing Type	Federal Credits	State Credits	Federal/State
<u>NORTHERN REGION</u>				Geographic Region Credit Available \$3,145,628				
25	109.00	49.941%	CA-21-164	Vivalon Healthy Aging Campus	Seniors	\$2,236,275	\$0	\$2,236,275
						\$2,236,275	\$0	\$2,236,275
						Remaining Balance in Geographic Region		\$909,353
<u>SAN FRANCISCO COUNTY</u>				Geographic Region Credit Available \$1,197,712				
						<u>NO RECOMMENDED PROJECTS IN GEOGRAPHIC REGION</u>		
						\$0	\$0	\$0
						Remaining Balance in Geographic Region		\$1,197,712

Total Annual Federal Credits from Geographic Regions	Total State Credits from Geographic Regions	Total Federal/State from Geographic Regions
\$30,667,053	\$14,300,066	\$32,097,060

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*Per Item 6 on Exhibit A of the Meeting Notice, the appeal for Tahiti Apartment Homes (CA-21-096) was granted at the staff level and Anaheim Midway (CA-21-107) is not being recommended for a reservation of federal 9% low-income housing tax credits.

**Per Item 8 on Exhibit A of the Meeting Notice, the appeal for Westview Village II (CA-21-117) was granted at the staff level and Cypress & 7th (CA-21-076) is not being recommended for a reservation of federal 9% low-income housing tax credits.

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-061	Lindsay Senior Villa 1127 Fresno Street Lindsay, CA 93247 Tulare County	Micon Real Estate, Inc. Callie Condry	Central Valley Coalition for Affordable Housing Christina Alley Micon Real Estate, Inc.	Micon Real Estate, Inc. Callie Condry	Lindsay Senior Villa, a California Limited Partnership Michael L. Condry	Bonneville USDA
CA-21-063	Sonora Square 401 S. El Dorado and 2 E. Sonora Street Stockton, CA 95203 San Joaquin County	Sonora Square Apartments, a California Limited Partnership Peter W. Ragsdale	DCDC Sonora Square, LLC Peter W. Ragsdale Community Revitalization and David Rutledge	Sonora Square Apartments, a California Peter W. Ragsdale	Plaza Mariani PTP Lisa Dixon & Anthony Mattioli	City of Stockton CDBG HACSJ MHSA County of San Joaquin
CA-21-070	Eureka 7th & Myrtle Affordable NW corner of 26th and Elm Eureka, CA 95501 Humboldt County	Eureka Myrtle Ave LP Chris Dart	Johnson & Johnson Investments, LLC Chris Dart Community Revitalization and David Rutledge	Danco Communities Chris Dart	City of Eureka Miles Slattery	Pacific Western Bank City of Eureka
CA-21-076	Cypress & 7th 1401 East Cypress Avenue Lompoc, CA 93436 Santa Barbara County	Cypress & 7th, L.P. Robert P. Havlicek Jr	Surf Development Company Robert P. Havlicek Jr	Surf Development Compnay Robert P. Havlicek Jr.	Surf Development Company Raymond F. Down	Pacific Western Bank HACSB HOME/NPLH
CA-21-084	The Cove (CVC Phase VI) 2121 W. Williams Street Long Beach, CA 90810 Los Angeles County	Century Villages at Cabrillo, Inc. Chris Larkin	CVC Phase VI, LLC Oscar Alvarado	Century Affordable Development, Inc. Christopher Larkin	Long Beach Savannah Housing, LP Brian D'Andrea	Wells Fargo Long Beach Community Investment Co. - City of Long Beach LACDA
CA-21-086	Cornerstone North by Mutual 46th Street and Lang Avenue Sacramento, CA 95823 Sacramento County	Cornerstone North Mutual Housing Parker Evans	Cornerstone Mutual Housing Roberto Jimenez	Mutual Housing California Parker Evans	The Housing Authority of the County of Sacramento La Shelle Dozier	US Bank SHRA
CA-21-088	Hellenic Seniors Center 7847 Rush River Drive Sacramento, CA 95831 Sacramento County	7847 Rush River Investors LP Nick Advis	Philoxenia Housing, Inc. Nick Advis Community Resident Services, Inc. Erin Myers	Philoxenia Housing, Inc. Nick Advis	Greek Orthodox Angelic Corporation Michael Dariotis	Citi Bank
CA-21-094	Lucena on Court 1919 W. Court Street Los Angeles, CA 90026 Los Angeles County	BTICS, L.P. Chris Maffris	FFAH V Lucena on Court, LLC Melissa Vincent BTICS, LLC Chris Maffris	Meta Development, LLC Chris Maffris	Westlake Court LLC, a California Limited Liability Company Abraham Shofet	CitiBank
CA-21-095	78 Haight Street 78 Haight Street San Francisco CA, 94102 San Francisco County	Octavia RSU Associates, L.P. Donald S. Falk	Octavia RSU GP, LLC Donald S. Falk	Tenderloin Neighborhood Development Donald S. Falk	City and County of San Francisco Andrico Penick	Silicon Valley B MOHCD - NPLH
CA-21-097	People's Place 710 West Harvard Blvd. Santa Paula, CA 93060 Ventura County	People's Self-Help Housing Corporation Angela Heyward	People's Self-Help Housing corporation Angela Heyward	People's Self-Help Housing Kenneth Trigueiro	Mountain View Corporation Brent Eneix	JP Morgan Chase Bank HCD Joe Serna County of Ventura HOME Farmworker
CA-21-101	Sun Lodge 1101 N. Parkway Drive Fresno, CA 93728 Fresno County	Housing Authority of the City of Fresno, Angelina Nguyen	Housing Authority of the City of Fresno, CA Michael Duarte Silvercrest, Inc.	Housing Authority of the City of Fresno, CA Angelina Nguyen	Silvercrest, Inc. Angelina Nguyen	U.S. Bank City of Fresno HomeKey
CA-21-107	Anaheim Midway 110 W. Midway Drive Anaheim, CA 92805 Orange County	National Community Renaissance of Ashley Wright	NCRC Anaheim Midway GP, LLC Ashley Wright	National Community Renaissance of California Ariana Brendle	Anaheim Housing Authority Kurt R. Troxell	Bank of America AHA City of Anaheim County of Orange

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-108	Entrada Apartments 1705 7th Street Riverside, CA 92507 Riverside County	Wakeland Entrada LP John Sugden	Wakeland Entrada LLC John Sugden RHDC Entrada, LLC Bruce Kulpa	Wakeland Housing & Development Corporation John Sugden	Riverside Housing Development Corporation a California Nonprofit Corporation Bruce Kulpa	HCD City of Riverside
CA-21-110	Sonora Garden Apartments 100 Greenley Road Sonora, CA 95370 Tuolumne County	DHI Sonora Garden Apartments, LP Justin Solomon	DHI Sonora Garden Associates, LLC Justin Solomon Community Resident Services Erin Myers	Dawson Holdings, Inc. Justin Solomon	Joiner Limited Partnership James Joiner	Bonneville USDA
CA-21-115	The Laurel 1413 Michigan Avenue Santa Monica, CA 90404 Los Angeles County	EAH Inc. Welton Jordan	Laurel EAH, LLC Welton Jordan	EAH Inc. Welton Jordan	Atlantic Microscope, LLC Gattleson, Witzer, O'Connor	MUFG Union Bank City of Santa Monica Housing
CA-21-118	Los Arroyos II Southeast Corner of Walnut Avenue Avenue Farmersville, CA 93223 Tulare County	Self-Help Enterprises	Self-Help Enterprises	Self-Help Enterprises	Whitney Family Trust	US Bank HCD - PLHA- Serna
CA-21-119	Nestor Senior Village 1120 Nestor Way San Diego, CA 92154 San Diego County	NCRC NSV LP Ashley Wright	NCRC NSV GP LLC Ashley Wright	National Community Renaissance of California Ashley Wright	Nestor United Methodist Church James Campbell Geddes	JP Morgan Chase Bank County of San Diego AHP
CA-21-146	Stanton Apartment Homes 7161 Katella Ave Stanton, CA 90680 Orange County	Katella Housing Partners LP Mario Turner	JHC-Katella MGP LLC Mario Turner	Jamboree Housing Corporation Mario Turner	Global Student Housing Thomas A. Miller	Homekey County of Orange
CA-21-147	Kern County Apartments A = 293, 295, 297, 299 Walnut Drive B = 505, 510, 515, 520, 525, 530, 540, 545 San Juan St C = 500 and 510 State St & 501 and 511, Jackson Ave D = 800 Griffith Ave & 1215 & 1235 8th Place CA 93280 CA 83263 Kern County	Horizon ELOM Holdings, LLC Keith Stanley	Horizon Development Consulting, LLC Keith Stanley ELOM LLC Jon Lalanne AOF/Pacific Affordable Housing Corp.	Horizon ELOM Holdings, LLC Keith Stanley	Petrini Construction Company, California General Partnership Lynda Pennington	Merchants Bank USDA
CA-21-148	Sagewood 7246 Stine Road Bakersfield, CA 93313 Kern County	Stine & Berkshire CIC, LP Robert W. Laing	Pacific Southwest Community Robert W. Laing	Chelsea Investment Corporation Cheri Hoffman	Kalpana Patel Trust Kalpana Patel	Citibank City HOME Funds City PSVS Funds HCD Joe Serna, Jr. Farmworker Housing
CA-21-150	Bay Oaks Apartments 2400 Gloria Way East Palo Alto, CA 94303 San Mateo County	MP Bay Road Associates, L.P. Jan M. Lindenthal	MP Bay Road LLC Jan M. Lindenthal Bay Oaks CANDO, LLC Duane Bay	MidPen Housing Corporation Joanna Carman	Gloria Way Associates/MP Can Do, Inc. Jan M. Lindenthal	San Mateo HOME
CA-21-151	Casa Sonoma Apartments 513 W Canal St. Calexico, CA 92231 Imperial County	Step Forward Communities Duane Henry	Synergy Community Development Corporation William Rice Step Forward Communities	Synergy Community Development Corporation William E. Rice	Republic Properties - Calexico I, LLC David L. Linden	Sterling Bank USDA ORIX

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-154	Gloria Drive Apartments 7201 Gloria Drive Sacramento, CA 95831 Sacramento	DHI Gloria Drive Apartments, LP Justin Solomon	DHI Gloria Drive Associates, LLC Justin Solomon Community Resident Services, Inc. Erin Myers	DHI Gloria Drive Associates, LLC Justin Solomon	Harry L. Manafort Trustee Harry L. Manafort	ORIX Real Estate Capital, LLC
CA-21- 156	PARLIER PLAZA GARDEN VALLEY HOMES II 640 Zediker Avenue 9565 Flores Dr. Parlier, CA/ San Joaquin, CA Fresno County	PSJ INVESTMENT GROUP, LP Ronald D. Bettencourt	Bettencourt Properties, Inc. Ronald D. Bettencourt The Beneficial Housing Foundation Kimberley B. McClintock	Community Preservation Partners Lyna Wang	Fresno Community Partners, LP Anand Kannan	USDA RD 515 Loan
CA-21- 163	4507 Main St. 4504 - 4519 South Main Street Los Angeles, CA 90037 Los Angeles County	EAH Inc. Welton Jordan	4507 Main St. EAH, LLC Welton Jordan	EAH Inc. Welton Jordan	Main Properties LTD, LLC Reginald Arnold	MUFG Union Bank HCID LA HHH
CA-21- 164	Vivalon Healthy Aging Campus 999 3rd Street San Rafael, CA 94901 Marin County	San Rafael Senior, L.P. Andrea Osgood	San Rafael Senior LLC Andrea Osgood	Eden Housing, Inc. Susie Criscimagna	Vivalon Joe O' Hehir	Housing Trust Silicon Valley Apple Loan Marin County
CA-21- 165	Village Green II 650 4th Street West Sonoma, CA 95476 Sonoma County	Burbank Housing Development Richard Wallach	Village Green II, LLC Richard Wallach	Burbank Housing Development Michael Rogers	Sonoma County Community Development Commission David Kiff	CHASE USDA
CA-21- 173	Sherwood Avenue Family North side of Sherwood Avenue near 10th Street McFarland, CA 93250 Kern County	Milestone Housing Group, LLC Marcus Griffin	Milestone Sherwood GP, LLC Marcus Griffin Pacific Housing, Inc. Mark Wiese	Milestone Housing Group, LLC Marcus Griffin	El Buen Pastor Church, Inc. Reverend Zenaido Garza	Citibank AHSC Funds
CA-21- 176	Jordan Downs Area H2A 2299 E. 99th Place Los Angeles, CA 90002 Los Angeles County	Jordan Downs 3, LP Van Scott	JD Housing 3, LLC Van Scott	BRIDGE Housing Corporation Van Scott	Housing Authority of City of Los Angeles Douglas Guthrie	Wells Fargo Housing Authority City of Los Angeles
CA-21- 181	Downtown Livermore Apartments Southeast corner of Railroad Avenue near 10th Street Livermore, CA 94550 Alameda County	Eden Housing, Inc. Matt Graves	DTLM South LLC Matt Graves	Eden Housing, Inc. Matt Graves	City of Livermore Marc Roberts	US Bank Alameda County City of Livermore

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Lindsay Senior Villa, located at 1127 Fresno Street in Lindsay, requested and is being recommended for a reservation of \$546,101 in annual federal tax credits to finance the acquisition and rehabilitation of 41 units of housing serving tenants with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Micon Real Estate, Inc. and is located in Senate District 14 and Assembly District 26.

Lindsay Senior Villa is currently at-risk, but is being recommended for a reservation of tax credits that will be preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of USDA RHS 521 Rental Assistance.

Project Number CA-21-061

Project Name Lindsay Senior Villa

Site Address: 1127 Fresno Street
Lindsay, CA 93247 County: Tulare

Census Tract: 26.010

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$546,101	\$0
Recommended:	\$546,101	\$0

Applicant Information

Applicant: Micon Real Estate, Inc.
Contact: Callie Condry
Address: 1370 Jensen, Suite B
Sanger, CA 93657
Phone: (559) 875-3330
Email: ccondry@miconrealestate.com

General Partner(s) / Principal Owner(s): Central Valley Coalition for Affordable Housing
Micon Real Estate, Inc.

General Partner Type: Joint Venture

Parent Company(ies): Central Valley Coalition for Affordable Housing
Micon Real Estate, Inc.

Developer: Micon Real Estate, Inc.

Investor/Consultant: Boston Financial

Management Agent(s): Buckingham Property Management

Project Information

Construction Type: Acquisition & Rehabilitation
 Total # Residential Buildings: 19
 Total # of Units: 42
 No. & % of Tax Credit Units: 41 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: USDA Section 521 Rental Assistance (41 units - 100%) / USDA 515

Information

Set-Aside: Rural
 Housing Type: At-Risk
 Geographic Area: N/A
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 5	12%
At or Below 45% AMI: 5	12%
At or Below 50% AMI (Rural): 21	51%
At or Below 55% AMI (Rural): 5	12%
At or Below 60% AMI: 5	12%

Unit Mix

42 1-Bedroom Units
<u>42 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	30%	\$392
5 1 Bedroom	45%	\$588
21 1 Bedroom	50%	\$653
5 1 Bedroom	55%	\$719
5 1 Bedroom	60%	\$784
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,340,000
Construction Costs	\$0
Rehabilitation Costs	\$2,642,679
Construction Contingency	\$332,868
Relocation	\$500,000
Architectural/Engineering	\$140,000
Const. Interest, Perm. Financing	\$245,375
Legal Fees	\$320,000
Reserves	\$447,145
Other Costs	\$209,455
Developer Fee	\$670,808
Commercial Costs	\$0
Total	\$6,848,330

Residential

Construction Cost Per Square Foot:	\$92
Per Unit Cost:	\$163,055
True Cash Per Unit Cost*:	\$163,055

Construction Financing

Source	Amount
Bonneville Gap Construction Loan	\$1,923,335
Bonneville Permanent Loan	\$1,069,240
USDA Section 515 Loan Assumption	\$1,028,011
Deferred Operating Reserves	\$88,227
Deferred Reserves & Accounts	\$298,933
Deferred Developer Fee	\$670,808
Tax Credit Equity	\$1,769,776

Permanent Financing

Source	Amount
Bonneville Section 538	\$1,069,240
USDA Section 515	\$1,028,011
Tax Credit Equity	\$4,751,079
TOTAL	\$6,848,330

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$4,667,530
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$6,067,789
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$546,101
Approved Developer Fee (in Project Cost & Eligible Basis):	\$670,808
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.87000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First: **At-Risk**
Final: **48.384%**

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of medical clinic or hospital	3	3	3
Within 1.5 miles of medical clinic or hospital	2	0	2
Within 1 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Sonora Square located at 401 South El Dorado and 2 East Sonora Street in Stockton, requested and is being recommended for a reservation of \$1,033,455 in annual federal tax credits to finance the new construction of 37 units of housing serving special needs tenants with rents affordable to households earning 30-50% of area median income (AMI). The project will be developed by Sonora Square Apartments and will be located in Senate District 5 and Assembly District 5.

Sonora Square will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program of HCD and MHSA through CalHFA.

Project Number CA-21-063

Project Name Sonora Square
Site Address: 401 S. El Dorado and 2 East Sonora Street
Stockton, CA 95203 County: San Joaquin
Census Tract: 3.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,033,455	\$0
Recommended:	\$1,033,455	\$0

Applicant Information

Applicant: Sonora Square Apartments, a CA Limited Partnership
Contact: Peter W. Ragsdale
Address: 2575 Grand Canal Blvd., Suite 300
Stockton, CA 95207
Phone: 209-460-5065
Email: Pragsdale@HACSH.org

General Partner(s) / Principal Owner(s): DCDC Sonora Square, LLC
Community Revitalization and Development Corporation
General Partner Type: Nonprofit
Parent Company(ies): Delta Community Developers Corp.
Community Revitalization and Development Corporation
Developer: Sonora Square Apartments, a CA Limited Partnership
Investor/Consultant: Delta Community Developers Corporation
Management Agent(s): Domus Management Co.

Project Information

Construction Type: New Construction / Adaptive Reuse
Total # Residential Buildings: 2
Total # of Units: 38
No. & % of Tax Credit Units: 37 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Tax-Exempt / HUD Project-Based Vouchers (37 units - 100%) / CDBG

Information

Set-Aside: N/A
Housing Type: Special Needs
Type of Special Needs: Homeless / Formerly Homeless
Average Targeted Affordability of Special Needs/SRO Project Units: 38.92%
% of Special Need Units: 37 units 100.00%
Geographic Area: Central Valley Region
TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 18	45%
At or Below 40% AMI: 5	10%
At or Below 50% AMI: 14	35%

Unit Mix

<u>38 1-Bedroom Units</u>
38 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
18 1 Bedroom	30%	\$416
5 1 Bedroom	40%	\$554
14 1 Bedroom	50%	\$693
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,549,780
Construction Costs	\$7,598,620
Rehabilitation Costs	\$0
Construction Contingency	\$832,482
Relocation	\$290,000
Architectural/Engineering	\$555,000
Const. Interest, Perm. Financing	\$560,186
Legal Fees	\$100,000
Reserves	\$661,038
Other Costs	\$850,386
Developer Fee	\$1,564,359
Commercial Costs	\$0
Total	\$14,561,851

Residential

Construction Cost Per Square Foot:	\$297
Per Unit Cost:	\$383,207
True Cash Per Unit Cost*:	\$383,207

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Conventional Construction Loan	\$8,118,179	City of Stockton CDBG Loan	\$456,714
City of Stockton CDBG Loan	\$456,714	County of San Joaquin NPLH A	\$2,141,364
HACCSJ MHSA Loan	\$2,776,286	HACCSJ MHSA Loan	\$2,776,286
HACCSJ Ground Rent Loan	\$397,000	HACCSJ Ground Rent Loan	\$397,000
Costs Deferred Until Conversion	\$1,916,324	Accrued/Deferred Interest	\$8,666
Accrued/Deferred Interest	\$8,666	Tax Credit Equity	\$8,781,821
Tax Credit Equity	\$888,682	TOTAL	\$14,561,851

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$8,832,946
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$11,482,830
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,033,455
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,564,359
Investor/Consultant:	Delta Community Developers Corporation
Federal Tax Credit Factor:	\$0.84975

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	72.159%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Stockton, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 minutes in rush hours	5	5	5
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	0
Within 1 mile of a pharmacy	1	0	1
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Health/behavioral services provided by licensed org. or individual	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Enhanced Accessibility and Visitability	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Eureka 7th & Myrtle Affordable Housing, located southwest of the intersection of 7th Street and Myrtle Avenue in Eureka, requested and is being recommended for a reservation of \$1,038,174 in annual federal tax credits to finance the new construction of 35 units of housing serving seniors with rents affordable to households earning 30-50% of area median income (AMI). The project will be developed by Danco Communities and will be located in Senate District 2 and Assembly District 2.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from HCD's IIG program.

Project Number CA-21-070

Project Name Eureka 7th & Myrtle Affordable Housing
Site Address: Southwest of the intersection of 7th Street and Myrtle Avenue
Eureka, CA 95501 County: Humboldt
Census Tract: 0005.00

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,038,174	\$0
Recommended:	\$1,038,174	\$0

Applicant Information

Applicant: Danco Communities
Contact: Chris Dart
Address: 5251 Ericson Way
Arcata, CA 95521
Phone: (707) 822-9000
Email: cdart@danco-group.com

General Partner(s) / Principal Owner(s): Johnson & Johnson Investments, LLC
Community Revitalization and Development Corporation
Danco Communities
General Partner Type: Joint Venture
Parent Company(ies): Johnson & Johnson Investments, LLC
Community Revitalization and Development Corporation
Danco Communities
Developer: Danco Communities
Investor/Consultant: Red Stone Equity Partners
Management Agent(s): Danco Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 36
No. & % of Tax Credit Units: 35 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (35 units - 100%)

Information

Set-Aside: Rural
Housing Type: Seniors
Geographic Area: N/A
TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	4	11%
At or Below 40% AMI:	7	23%
At or Below 50% AMI:	23	66%

Unit Mix

2 SRO/Studio Units
27 1-Bedroom Units
7 2-Bedroom Units
<u>36 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 SRO/Studio	50%	\$610
3 1 Bedroom	30%	\$392
7 1 Bedroom	40%	\$523
17 1 Bedroom	50%	\$653
1 2 Bedrooms	30%	\$471
1 2 Bedrooms	45%	\$628
4 2 Bedrooms	50%	\$785
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$800,000
Construction Costs	\$8,506,227
Rehabilitation Costs	\$0
Construction Contingency	\$553,738
Relocation	\$0
Architectural/Engineering	\$966,354
Const. Interest, Perm. Financing	\$486,921
Legal Fees	\$120,000
Reserves	\$218,038
Other Costs	\$1,466,394
Developer Fee	\$1,783,008
Commercial Costs	\$0
Total	\$14,900,680

Residential

Construction Cost Per Square Foot:	\$324
Per Unit Cost:	\$413,908
True Cash Per Unit Cost*:	\$391,686

Construction Financing

Source	Amount
Pacific Western Bank	\$7,971,412
HCD - IIG	\$1,251,000
City of Eureka Carryback Loan	\$800,000
City of Eureka Loan	\$1,250,000
Tax Credit Equity	\$3,628,268

Permanent Financing

Source	Amount
Pacific Western Bank	\$2,816,121
HCD - IIG	\$1,251,000
City of Eureka Carryback Loan	\$800,000
City of Eureka Loan	\$1,250,000
Solar Tax Credit Equity	\$62,899
Tax Credit Equity	\$8,720,660
TOTAL	\$14,900,680

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$8,873,281
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$11,535,265
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,038,174
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,783,008
Investor/Consultant:	Red Stone Equity Partners
Federal Tax Credit Factor:	\$0.84000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Seniors
Final:	46.337%

Significant Information / Additional Conditions:

The proposed rent does not include a utility allowance. The owner will pay for all utilities.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of public library	3	3	3
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Senior project within 1/2 mile of daily operated senior center/facility	3	3	0
Senior project within 3/4 mile of daily operated senior center/facility	2	0	2
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Cypress & 7th, located at 1401 East Cypress Avenue in Lompoc, requested and is being recommended for a reservation of \$614,075 in annual federal tax credits to finance the new construction of 14 units of housing serving special needs tenants with rents affordable to households earning 40%-60% of area median income (AMI). The project will be developed by Surf Development Company and will be located in Senate District 19 and Assembly District 34.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program of HCD.

Project Number CA-21-076

Project Name Cypress & 7th
Site Address: 1401 East Cypress Avenue
Lompoc, CA 93436 Santa Barbara County:
Census Tract: 27.080

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$614,075	\$0
Recommended:	\$614,075	\$0

Applicant Information

Applicant: Cypress & 7th, L.P.
Contact: Robert P. Havlicek Jr
Address: 815 West Ocean Avenue
Lompoc, CA 93436
Phone: (805) 736-3423
Email: bobhavlicek@hasbarco.org

General Partner(s) / Principal Owner(s): Surf Development Company
General Partner Type: Nonprofit
Parent Company(ies): Housing Authority of the County of Santa Barbara
Developer: Surf Development Company
Investor/Consultant: RedStone Equity Partners
Management Agent(s): Housing Authority of the County of Santa Barbara

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 15
No. & % of Tax Credit Units: 14 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HOME / HUD Section 8 Project-based Vouchers (14 units - 100%)

Information

Set-Aside: Nonprofit (homeless assistance)
 Housing Type: Special Needs
 Type of Special Needs: Homeless/ formerly homeless
 Average Targeted Affordability of Special Needs/SRO Project Units: 40.00%
 % of Special Need Units: units 100.00%
 Geographic Area: Central Coast Region
 TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 2	10%
At or Below 40% AMI: 10	70%
At or Below 50% AMI: 2	10%

Unit Mix

15 1-Bedroom Units
15 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$703
10 1 Bedroom	40%	\$937
2 1 Bedroom	50%	\$1,171
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$530,000
Construction Costs	\$4,601,490
Rehabilitation Costs	\$0
Construction Contingency	\$380,074
Relocation	\$0
Architectural/Engineering	\$425,000
Const. Interest, Perm. Financing	\$544,000
Legal Fees	\$110,000
Reserves	\$543,553
Other Costs	\$577,973
Developer Fee	\$955,684
Commercial Costs	\$0
Total	\$8,667,774

Residential

Construction Cost Per Square Foot:	\$406
Per Unit Cost:	\$577,852
True Cash Per Unit Cost*:	\$577,254

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Pacific Western Bank	\$5,400,000	Pacific Western Bank	\$2,300,000
HACSB HOME/NPLH	\$882,696	HACSB HOME/NPLH	\$882,696
Deferred Developer Fee	\$719,004	Deferred Developer Fee	\$8,963
Tax Credit Equity	\$1,666,074	Photovoltaic Equity	\$72,795
0		Tax Credit Equity	\$5,403,320
		TOTAL	\$8,667,774

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$6,823,060
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$6,823,060
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$614,075
Approved Developer Fee (in Project Cost & Eligible Basis):	\$955,684
Investor/Consultant:	RedStone Equity Partners
Federal Tax Credit Factor:	\$0.87991

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	40.613%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Special Needs project within ½ mile of facility serving tenant population	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 42 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

The Cove (CVC Phase VI), located at 2121 W. Williams Street in Long Beach, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits and \$4,489,810 in total state tax credits to finance the new construction of 89 units of housing serving special needs tenants with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Century Affordable Development, Inc. and will be located in Senate District 35 and Assembly District 70.

The project will be receiving rental assistance in the form of VASH Project-based Vouchers. The project financing includes state funding from HCD's NPLH program.

Project Number CA-21-084

Project Name The Cove (CVC Phase VI)
Site Address: 2121 W. Williams Street
Long Beach, CA 90810 County: Los Angeles
Census Tract: 5728.000

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,500,000	\$4,489,810
Recommended:	\$2,500,000	\$4,489,810

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant: Century Villages at Cabrillo, Inc.
Contact: Chris Larkin
Address: 1000 Corporate Pointe
Culver City, CA 90230
Phone: (310) 642-2000
Email: clarkin@century.org

General Partner(s) / Principal Owner(s): CVC Phase VI, LLC
General Partner Type: Nonprofit
Parent Company(ies): Century Villages at Cabrillo, Inc.
Developer: Century Affordable Development, Inc.
Investor/Consultant: Wells Fargo
Management Agent(s): Century Villages Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 90
No. & % of Tax Credit Units: 89 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: VASH Project-based Vouchers (60 units - 67%) / HOME

Information

Set-Aside: Nonprofit (homeless assistance)
Housing Type: Special Needs At least 90% SRO units
Type of Special Needs: Homeless Veterans
Average Targeted Affordability of Special Needs/SRO Project Units: 40.00%
% of Special Need Units: 60 units 67.00%
Geographic Area: Balance of Los Angeles County
TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 53	60%
At or Below 50% AMI: 19	21%
At or Below 60% AMI: 17	19%

Unit Mix

89 SRO/Studio Units
1 2-Bedroom Units
90 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
53 SRO/Studio	30%	\$621
7 SRO/Studio	50%	\$1,035
12 SRO/Studio	50%	\$1,035
17 SRO/Studio	60%	\$1,242
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$7,353,059
Construction Costs	\$29,792,011
Rehabilitation Costs	\$0
Construction Contingency	\$1,699,210
Relocation	\$49,500
Architectural/Engineering	\$1,418,425
Const. Interest, Perm. Financing	\$2,637,601
Legal Fees	\$142,500
Reserves	\$537,210
Other Costs	\$1,663,815
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$47,493,331

Residential

Construction Cost Per Square Foot:	\$504
Per Unit Cost:	\$527,704
True Cash Per Unit Cost*:	\$466,813

Construction Financing

Source	Amount
Wells Fargo Bank	\$26,391,164
LBCIC** - HOME	\$4,000,000
LBCIC - Accrued Interest	\$170,253
LACDA - AHTF	\$4,925,000
LACDA - Accrued Interest	\$212,816
LACDA - NPLH	\$2,075,000
City of Long Beach - Fee Waivers	\$280,139
Land Donation	\$5,000,000
GP Equity	\$100
Deferred Costs	\$1,687,407
Deferred Developer Fee	\$200,000
Tax Credit Equity	\$2,551,452

Permanent Financing

Source	Amount
CCRC	\$3,823,000
LBCIC** - HOME	\$4,000,000
LBCIC - Accrued Interest	\$170,253
LACDA - AHTF	\$5,000,000
LACDA - Accrued Interest	\$212,816
LACDA - NPLH	\$2,100,000
City of Long Beach - Fee Waivers	\$280,139
Land Donation	\$5,000,000
GP Equity	\$100
Deferred Developer Fee	\$200,000
Tax Credit Equity	\$26,707,023
TOTAL	\$47,493,331

* Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

** Long Beach Community Investment Company (LBCIC)

Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,367,522
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,777,779
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Total State Credit:	\$4,489,810
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Wells Fargo
Federal Tax Credit Factor:	\$0.92461
State Tax Credit Factor:	\$0.80000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	78.270%

Significant Information / Additional Conditions

The current legal description is part of a larger site and the project site’s parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-21-084 must be completed as part of the Readiness to Proceed 180/194-Day package.

Staff noted \$60,697 described as common area charges included as an operating expense in the project's TCAC application. In compliance with TCAC regulations section 10327(g)(1), staff characterized this as a non-operating expense in the TCAC application.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Long Beach, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Special Needs project within ½ mile of facility serving tenant population	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Cornerstone North by Mutual Housing, located at 46th Street and Lang Avenue in Sacramento, requested and is being recommended for a reservation of \$1,369,705 in annual federal tax credits to finance the new construction of 47 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Mutual Housing California and will be located in Senate District 6 and Assembly District 9.

This project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-086

Project Name Cornerstone North by Mutual Housing
Site Address: 46th Street and Lang Avenue
Sacramento CA,95823 County: Sacramento
Census Tract: 47.020

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,369,705	\$0
Recommended:	\$1,369,705	\$0

Applicant Information

Applicant: Cornerstone North Mutual Housing Associates, L.P.
Contact: Parker Evans
Address: 3321 Power Inn Road, Suite 320
Sacramento, CA 95826
Phone: 916.453.8400
Email: parker@mutualhousing.com

General Partner(s) / Principal Owner(s): Cornerstone Mutual Housing Association, LLC
General Partner Type: Nonprofit
Parent Company(ies): Cornerstone Mutual Housing Associations LLC
Developer: Mutual Housing California
Investor/Consultant: California Housing Partnership
Management Agent(s): Mutual Housing Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 48
No. & % of Tax Credit Units: 47 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (8 units- 17%)

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Capital Region
TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 9	19%
At or Below 40% AMI: 5	10%
At or Below 50% AMI: 18	38%
At or Below 60% AMI: 15	31%

Unit Mix

15 1-Bedroom Units
24 2-Bedroom Units
9 3-Bedroom Units
<u>48 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 1 Bedroom	30%	\$510
2 2 Bedrooms	30%	\$612
2 3 Bedrooms	30%	\$706
1 2 Bedrooms	30%	\$612
2 1 Bedroom	40%	\$680
2 2 Bedrooms	40%	\$816
1 3 Bedrooms	40%	\$942
5 1 Bedroom	50%	\$850
10 2 Bedrooms	50%	\$1,020
3 3 Bedrooms	50%	\$1,178
4 1 Bedroom	60%	\$1,020
8 2 Bedrooms	60%	\$1,224
3 3 Bedrooms	60%	\$1,413
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$647,400
Construction Costs	\$11,389,962
Rehabilitation Costs	\$0
Construction Contingency	\$752,645
Relocation	\$0
Architectural/Engineering	\$571,000
Const. Interest, Perm. Financing	\$1,021,285
Legal Fees	\$140,000
Reserves	\$268,118
Other Costs	\$1,858,068
Developer Fee	\$1,040,000
Commercial Costs	\$0
Total	\$17,688,478

Residential

Construction Cost Per Square Foot:	\$263
Per Unit Cost:	\$368,510
True Cash Per Unit Cost*:	\$356,666

Construction Financing

Source	Amount
US Bank Construction Loan	\$12,626,537
SHRA Construction/Perm Loan	\$2,000,000
SHRA Land Loan	\$59,000
Waived Impact Fees	\$568,530
Costs Deferred Until Conversion	\$1,189,073
Accrued/Deferred Interest	\$53,813
Tax Credit Equity	\$1,191,525

Permanent Financing

Source	Amount
US Bank Perm Loan (Tranche A)	\$1,848,000
US Bank Perm Loan (Tranche B)	\$1,359,000
SHRA Construction/Perm Loan	\$2,000,000
SHRA Land Loan	\$59,000
Waived Impact Fees	\$568,530
Accrued/Deferred Interest	\$53,813
Tax Credit Equity	\$11,800,135
TOTAL	\$17,688,478

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$11,706,884
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$15,218,949
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,369,705
Approved Developer Fee in Project Cost:	\$1,040,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.86151

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	71.620%

Significant Information / Additional Conditions:

This 48 unit application was submitted as a hybrid application serving large families. The project is comprised of a 9% component (CA-21-086) consisting of 48 units and a 4% component (CA-21-663) consisting of 60 units. All units in the project will have access to a community room, service coordinator and adult education instruction.

The developer shall defer or contribute as equity to the project any amount of combined 4% and 9% developer fees in cost that are in excess of the limit pursuant to Section 10327(c)(2)(A).

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the Sacramento Housing and Redevelopment Agency, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Within 1/4 miles of a public school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
SPECIAL NEEDS HOUSING TYPE			
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

**DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS.
ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.**

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Hellenic Seniors Center, located at 7847 Rush River Drive in Sacramento, requested for a reservation of \$604,835 in annual federal tax credits and \$2,007,244 in state tax credits, but the project is being recommended for a reservation of \$774,121 in annual federal tax credits only, to finance the acquisition and rehabilitation of 69 units of housing serving tenants with rents affordable to households earning 30-55% of area median income (AMI). The project will be developed by Philoxenia Housing, Inc. and is located in Senate District 6 and Assembly District 9.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will be preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

Project Number CA-21-088

Project Name Hellenic Seniors Center
Site Address: 7847 Rush River Drive
Sacramento, CA 95831 County: Sacramento
Census Tract: 40.100

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$604,835	\$2,007,244
Recommended:	\$774,121	\$0

Applicant Information

Applicant: 7847 Rush River Investors LP
Contact: Nick Advis
Address: 455 Capitol Mall, Ste. 801
Sacramento, CA 95814
Phone: 916-287-9292
Email: navdis@thomaslaw.com

General Partner(s) / Principal Owner(s): Philoxenia Housing, Inc.
Community Resident Services, Inc.

General Partner Type: Nonprofit

Parent Company(ies): Philoxenia Housing, Inc.
Community Resident Services, Inc.

Developer: Philoxenia Housing, Inc.

Investor/Consultant: WNC & Associates

Management Agent(s): FPI Management, Inc.

Project Information

Construction Type: Acquisition & Rehabilitation

Total # Residential Buildings: 15

Total # of Units: 70

No. & % of Tax Credit Units: 69 100%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: HUD Project Based Contract (69 Units - 100%)

Information

Set-Aside: At-Risk
Housing Type: At-Risk
Geographic Area: Capital Region
TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 7	10%
At or Below 40% AMI: 11	15%
At or Below 50% AMI: 28	40%
At or Below 55% AMI: 23	30%

Unit Mix

66 1-Bedroom Units
4 2-Bedroom Units
70 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
6 1 Bedroom	30%	\$510
10 1 Bedroom	40%	\$680
27 1 Bedroom	50%	\$850
23 1 Bedroom	55%	\$935
1 2 Bedrooms	30%	\$612
1 2 Bedrooms	40%	\$816
1 2 Bedrooms	50%	\$1,020
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$8,750,000
Construction Costs	\$0
Rehabilitation Costs	\$3,303,400
Construction Contingency	\$430,340
Relocation	\$100,000
Architectural/Engineering	\$150,000
Const. Interest, Perm. Financing	\$409,954
Legal Fees	\$250,000
Reserves	\$482,356
Other Costs	\$234,551
Developer Fee	\$1,125,208
Commercial Costs	\$0
Total	\$15,235,809

Residential

Construction Cost Per Square Foot:	\$73
Per Unit Cost:	\$217,654
True Cash Per Unit Cost*:	\$152,064

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citi	\$7,893,205	Citi	\$4,041,258
Seller Carryback Note	\$4,450,000	Seller Carryback Note	\$4,450,000
Seller Existing Reserves	\$178,000	Seller Existing Reserves	\$178,000
Deferred Reserves Until Completion	\$304,356	Deferred Developer Fee	\$141,348
Deferred Developer Fee	\$1,285,040	Tax Credit Equity	\$6,425,203
Tax Credit Equity	\$1,125,208	TOTAL	\$15,235,809

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$5,537,344
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$8,461,854
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$5,537,344
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$8,461,854
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$435,647
Maximum Annual Federal Credit, Acquisition:	\$338,474
Total Maximum Annual Federal Credit:	\$774,121
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,125,208
Investor/Consultant:	WNC & Associates
Federal Tax Credit Factor:	\$0.83000

The "as if vacant" land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	At-Risk
Final:	12.692%

Significant Information / Additional Conditions

The project requested a reservation of \$604,835 in annual federal tax credits and \$2,007,244 in state tax credits, but is being recommended for \$774,121 in annual federal tax credits only, since the application did not maximize federal credits, pursuant to TCAC Regulation Sections 10317(b) and 10317(c).

The applicant's estimate for annual operating expenses per unit is below the \$5,100 published per unit operating expense minimum required for this type of project. Under regulation section 10327(g) operating expenses below the published minimum may be corrected. At the submission of the next updated TCAC application required by TCAC, and all subsequent submissions to TCAC, the applicant must meet the requirement of regulation section 10327(g)(1).

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 minutes in rush hours	6	6	6
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Lucena on Court, located at 1919 W. Court Street in Los Angeles, requested and is being recommended for a reservation of \$2,069,100 in annual federal tax credits and \$3,400,000 in total state tax credits to finance the new construction of 45 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Meta Development, LLC and will be located in Senate District 24 and Assembly District 51.

Project Number CA-21-094

Project Name Lucena on Court
Site Address: 1919 W. Court Street
Los Angeles, CA 90026 County: Los Angeles
Census Tract: 2040.020

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,069,100	\$3,400,000
Recommended:	\$2,069,100	\$3,400,000

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant: BTICS, L.P.
Contact: Melissa Vincent
Address: 384 Forest Avenue, Suite 14
Laguna Beach, CA 92651
Phone: 310-575-3543
Email: cmaffris@metahousing.com

General Partner(s) / Principal Owner(s): FFAH V Lucena on Court, LLC
BTICS, LLC
General Partner Type: Joint Venture
Parent Company(ies): BTICS, LLC
Foundation for Affordable Housing
Developer: Meta Development, LLC
Investor/Consultant: Redstone Equity
Management Agent(s): WSH Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 46
No. & % of Tax Credit Units: 45 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: N/A

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: City of Los Angeles
TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 9	20%
At or Below 50% AMI: 18	40%
At or Below 60% AMI: 18	40%

Unit Mix

16 1-Bedroom Units
12 2-Bedroom Units
18 3-Bedroom Units
46 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	30%	\$665
4 1 Bedroom	50%	\$1,108
7 1 Bedroom	60%	\$1,330
2 2 Bedrooms	30%	\$798
3 2 Bedrooms	50%	\$1,268
1 2 Bedrooms	50%	\$1,330
5 2 Bedrooms	60%	\$1,521
2 3 Bedrooms	30%	\$922
8 3 Bedrooms	50%	\$1,408
2 3 Bedrooms	50%	\$1,536
6 3 Bedrooms	60%	\$1,689
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$131,500
Construction Costs	\$15,138,234
Rehabilitation Costs	\$0
Construction Contingency	\$971,912
Relocation	\$0
Architectural/Engineering	\$1,508,000
Const. Interest, Perm. Financing	\$1,727,553
Legal Fees	\$215,000
Reserves	\$152,065
Other Costs	\$1,678,153
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$23,722,417

Residential

Construction Cost Per Square Foot:	\$322
Per Unit Cost:	\$515,705
True Cash Per Unit Cost*:	\$514,435

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
CitiBank, N.A.	\$18,000,000	CitiBank, N.A.	\$2,529,000
Deferred Operating Reserve	\$152,065	Deferred Developer Fee	\$58,427
Deferred Developer Fee	\$1,343,353	Tax Credit Equity	\$21,134,990
Tax Credit Equity	\$4,226,998	TOTAL	\$23,722,417

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$22,989,996
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$22,989,996
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,069,100
Total State Credit:	\$3,400,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Redstone Equity
Federal Tax Credit Factor:	\$0.88178
State Tax Credit Factor:	\$0.85000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

Initial:	Letter of Support
First:	Large Family
Final:	1.544%

Significant Information / Additional Conditions

Staff noted a per unit development cost of \$515,705. The applicant noted that the per unit cost is attributed to infill development, subterranean garage, and increased materials costs caused by supply chain disruptions.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(I)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of a public middle school	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
After school program for school age children, minimum of 6 hours/week	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

78 Haight Street, located at 78 Haight Street in San Francisco, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits and \$2,692,243 in total state tax credits to finance the new construction of 63 units of housing serving special needs tenants with rents affordable to households earning 25-50% of area median income (AMI). The project will be developed by Tenderloin Neighborhood Development Corporation and will be located in Senate District 11 and Assembly District 17.

78 Haight Street will be receiving rental assistance in the form of a Local Operating Subsidy from the San Francisco Mayor's Office of Housing and Community Development. The project financing includes state funding from the NPLH program of HCD.

Project Number CA-21-095

Project Name 78 Haight Street
Site Address: 78 Haight Street
San Francisco, CA 94102 County: San Francisco
Census Tract: 168.020

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,500,000	\$2,692,243
Recommended:	\$2,500,000	\$2,692,243

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant: Octavia RSU Associates, L.P.
Contact: Donald S. Falk
Address: 201 Eddy Street
San Francisco, CA 94102
Phone: (415) 358-392
Email: dfalk@tndc.org

General Partner(s) / Principal Owner(s): Octavia RSU GP, LLC
General Partner Type: Nonprofit
Parent Company(ies): Tenderloin Neighborhood Development Corporation
Developer: Tenderloin Neighborhood Development Corporation
Investor/Consultant: California Housing Partnership
Management Agent(s): Tenderloin Neighborhood Development Corporation

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 63
No. & % of Tax Credit Units: 63 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: Nonprofit (qualified nonprofit organization)
 Housing Type: Special Needs At least 90% SRO units
 Type of Special Needs: Homeless/formerly homeless & Transition age youth
 Average Targeted Affordability of Special Needs/SRO Project Units: 36.67%
 % of Special Need Units: 32 units 50.80%
 Geographic Area: San Francisco County
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 25% AMI: 32	51%
At or Below 40% AMI: 4	6%
At or Below 50% AMI: 27	43%

Unit Mix

58 SRO/Studio Units
<u>5 1-Bedroom Units</u>
63 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
27 SRO/Studio	25%	\$333
4 SRO/Studio	40%	\$1,166
27 SRO/Studio	50%	\$1,515
5 1 Bedroom	25%	\$397

Project Cost Summary at Application

Land and Acquisition	\$3,802,749
Construction Costs	\$33,357,725
Rehabilitation Costs	\$0
Construction Contingency	\$2,335,270
Relocation	\$0
Architectural/Engineering	\$3,197,803
Const. Interest, Perm. Financing	\$1,924,833
Legal Fees	\$112,968
Reserves	\$1,500,568
Other Costs	\$2,531,080
Developer Fee	\$2,200,000
Commercial Costs	\$3,422,300
Total	\$54,385,296

Residential

Construction Cost Per Square Foot:	\$757
Per Unit Cost:	\$806,481
True Cash Per Unit Cost*:	\$758,916

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Silicon Valley Bank	\$20,173,527	MOHCD Loan	\$21,966,228
MOHCD Loan	\$21,966,228	MOHCD NPLH AP Loan	\$4,780,239
MOHCD NPLH AP Loan	\$4,780,239	Donated Land	\$3,207,500
Donated Land	\$3,207,500	Tax Credit Equity	\$24,431,329
Costs Deferred Until Conversion	\$2,012,669	TOTAL	\$54,385,296
Tax Credit Equity	\$2,245,133		

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,367,523
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,777,780
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Total State Credit:	\$2,692,243
Approved Developer Fee in Project Cost:	\$2,200,000
Approved Developer Fee in Eligible Basis:	\$2,045,276
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.89110
State Tax Credit Factor:	\$0.80000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	98.597%

Significant Information / Additional Conditions

Development costs are roughly \$806,481 per unit. The factors affecting cost include City of San Francisco requirements and regulations, as well as prevailing wage and local hiring requirements in the loan agreement from the City and County of San Francisco.

Per TCAC Regulation Section 10325(f)(7)(J) the project has committed to employ an equivalent number of on-site full-time property management staff and provide an equivalent number of desk or security staff capable of responding to emergencies for the hours when property management staff is not working. All staff or contractors performing desk or security work shall be knowledgeable of how the property’s fire system operates and be trained in, and have participated in, fire evacuation drills for tenants. TCAC reserves the right to require that one or more on-site managers’ units be provided and occupied by property management staff if, in its sole discretion, it determines as part of any on-site inspection that the project has not been adequately operated and/or maintained.

The project has a capitalized operating subsidy for 15 years that covers 32 of the special needs units serving homeless, formerly homeless, and transition age youth tenants provided by the Mayor's Office of the City and County of San Francisco.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the Mayor's Office of Housing & Community Development, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1 mile of a weekly farmers' market operating at least 5 months/year	1	1	1
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	5
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Enhanced Accessibility and Visitability	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

People's Place, located at 710 West Harvard Blvd. in Santa Paula, requested and is being recommended for a reservation of \$2,433,209 in annual federal tax credits to finance the new construction of 68 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by People's Self-Help Housing Corporation and will be located in Senate District 19 and Assembly District 37.

The project financing includes state funding from the FWHG (Joe Serna) program of HCD.

Project Number CA-21-097

Project Name People's Place
Site Address: 710 West Harvard Blvd.
Santa Paula, CA 93060 County: Ventura
Census Tract: 0007.01

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,433,209	\$0
Recommended:	\$2,433,209	\$0

Applicant Information

Applicant: People's Self-Help Housing Corporation
Contact: Angela Heyward
Address: 3533 Empleo Street
San Luis Obispo, CA 93401
Phone: 805-540-2642
Email: angelah@pshhc.org

General Partner(s) / Principal Owner(s): People's Self-Help Housing corporation
General Partner Type: Nonprofit
Parent Company(ies): People's Self-Help Housing corporation
Developer: People's Self-Help Housing Corporation
Investor/Consultant: Community Economics, Inc.
Management Agent(s): People's Self-Help Housing Corporation

Project Information

Construction Type: New Construction
Total # Residential Building 2
Total # of Units: 69
No. & % of Tax Credit Unit: 68 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Community Development Block Grant - Disaster Recovering (CDBG - DR) & Home

Information

Set-Aside: Rural apportionment (HOME)
 Housing Type: Large Family
 Geographic Area: N/A
 TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	11 15%
At or Below 45% AMI:	11 15%
At or Below 50% AMI:	24 35%
At or Below 60% AMI:	22 30%

Unit Mix

22 1-Bedroom Units
29 2-Bedroom Units
18 3-Bedroom Units
69 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 1 Bedroom	30%	\$630
2 1 Bedroom	45%	\$946
1 1 Bedroom	45%	\$946
9 1 Bedroom	50%	\$1,051
7 1 Bedroom	60%	\$1,261
5 2 Bedrooms	30%	\$756
2 2 Bedrooms	45%	\$1,135
2 2 Bedrooms	45%	\$1,135
10 2 Bedrooms	50%	\$1,261
10 2 Bedrooms	60%	\$1,349
3 3 Bedrooms	30%	\$874
4 3 Bedrooms	45%	\$1,311
5 3 Bedrooms	50%	\$1,457
5 3 Bedrooms	60%	\$1,598
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,424,568
Construction Costs	\$24,317,586
Rehabilitation Costs	\$0
Construction Contingency	\$1,273,679
Relocation	\$0
Architectural/Engineering	\$939,805
Const. Interest, Perm. Financing	\$1,784,752
Legal Fees	\$75,000
Reserves	\$198,124
Other Costs	\$2,224,342
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$35,437,856

Residential

Construction Cost Per Square Foot:	\$364
Per Unit Cost:	\$513,592
True Cash Per Unit Cost*:	\$502,273

Construction Financing

Source	Amount
JP Morgan Chase Bank, N.A.	\$24,918,655
HCD Joe Serna	\$3,842,192
County of Ventura HOME	\$1,080,000
County of Ventura Farmworker	\$380,000
CDBG-DR	\$1,000,000
GP Equity	\$1,000
Tax Credit Equity	\$2,262,885

Permanent Financing

Source	Amount
JP Morgan Chase Bank, N.A.	\$5,844,800
HCD Joe Serna	\$3,842,192
County of Ventura HOME	\$1,080,000
County of Ventura Farmworker	\$380,000
CDBG-DR	\$1,000,000
Deferred Developer fee	\$781,017
GP Equity	\$1,000
Tax Credit Equity	\$22,508,847
TOTAL	\$35,437,856

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$20,796,661
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,035,659
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,433,209
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Community Economics, Inc.
Federal Tax Credit Factor:	\$0.92507

The "as if vacant" land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	39.991%

Significant Information / Additional Conditions

Staff noted a per unit development cost of \$513,592. The applicant noted that the per unit cost is attributed to prevailing wage and demolition. The project is subject to infrastructure requirements from the City of Santa Paula including a backup generator for the storm drain.

The applicant has requested the use of a CUAC utility allowance. TCAC staff is in the process of reviewing the CUAC documentation for this existing project. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Santa Paula, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 3/4 mile of a public elementary school	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Other Services Specialist, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Sun Lodge, located at 1101 N Parkway Drive in Fresno, requested and is being recommended for a reservation of \$2,051,057 in annual federal tax credits to finance the new construction of 63 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Housing Authority of the City of Fresno, CA and will be located in Senate District 14 and Assembly District 31.

The project will be receiving rental assistance in the form of LIPH. The project financing includes state funding from the HomeKey program of HCD.

Project Number CA-21-101

Project Name Sun Lodge
Site Address: 1101 N Parkway Drive
Fresno CA, 93728 County: Fresno
Census Tract: 20.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,051,057	\$0
Recommended:	\$2,051,057	\$0

Applicant Information

Applicant: Housing Authority of the City of Fresno, CA
Contact: Angelina Nguyen
Address: 1331 Fulton Street
Fresno CA, 93721
Phone: 559-443-8439
Email: anguyen@fresnohousing.org

General Partner(s) / Principal Owner(s): Housing Authority of the City of Fresno, CA
Silvercrest, Inc.
General Partner Type: Nonprofit
Parent Company(ies): Housing Authority of the City of Fresno, CA
Developer: Housing Authority of the City of Fresno, CA
Investor/Consultant: The California Housing Partnership Corporation
Management Agent(s): Fresno Housing

Project Information

Construction Type: New Construction / Adaptive Reuse
Total # Residential Buildings: 4
Total # of Units: 64
No. & % of Tax Credit Units: 63 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
At or Below 30% AMI:	18	25%
At or Below 40% AMI:	12	15%
At or Below 50% AMI:	16	25%
At or Below 60% AMI:	17	25%

Unit Mix

18 SRO/Studio Units
10 1-Bedroom Units
20 2-Bedroom Units
16 3-BedroomUnits
64 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
13 SRO/Studio	30%	\$366
1 1 Bedroom	30%	\$392
2 2 Bedrooms	30%	\$471
2 3 Bedrooms	30%	\$544
3 1 Bedroom	40%	\$522
4 2 Bedrooms	40%	\$628
5 3 Bedrooms	40%	\$725
2 SRO/Studio	50%	\$610
3 1 Bedroom	50%	\$653
7 2 Bedrooms	50%	\$785
4 3 Bedrooms	50%	\$906
3 SRO/Studio	60%	\$652
3 1 Bedroom	60%	\$784
6 2 Bedrooms	60%	\$942
5 3 Bedrooms	60%	\$1,087
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$6,252,988
Construction Costs	\$14,790,833
Rehabilitation Costs	\$0
Construction Contingency	\$1,960,482
Relocation	\$0
Architectural/Engineering	\$550,000
Const. Interest, Perm. Financing	\$1,418,227
Legal Fees	\$175,000
Reserves	\$232,962
Other Costs	\$1,360,659
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$28,941,151

Residential

Construction Cost Per Square Foot:	\$238
Per Unit Cost:	\$452,205
True Cash Per Unit Cost*:	\$377,362

Construction Financing

Source	Amount
U.S. Bank	\$14,688,246
City of Fresno	\$3,000,000
HomeKey Program Fund**	\$4,790,000
HomeKey Program Fund***	\$1,068,779
HRFC Loan	\$2,000,000
Accrued Interest on Soft Loans	\$226,864
Cost Deferred Until Conversion	\$1,572,962
Tax Credit Equity	\$1,594,300

Permanent Financing

Source	Amount
City of Fresno	\$3,000,000
HomeKey Program Fund**	\$4,790,000
HomeKey Program Fund***	\$1,068,779
HRFC Loan	\$2,000,000
Accrued Interest on Soft Loans	\$226,864
Tax Credit Equity	\$17,855,508
TOTAL	\$28,941,151

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Acquisition

***Holding Cost

Determination of Credit Amount(s)

Requested Eligible Basis:	\$17,530,405
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$22,789,527
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,051,057
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	The California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.87055

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual

Tie-Breaker Information

First:	Large Family
Final:	60.349%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Fresno, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 minutes in rush hours	6	6	6
Within ½ mile of public park or community center open to general public	3	3	3
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Within ¾ mile of a public elementary school	2	2	2
In-unit high speed internet service	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Anaheim Midway, located at 110 W Midway Drive in Anaheim, requested and is being recommended for a reservation of \$2,272,475 in annual federal tax credits to finance the new construction of 85 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by National Community Renaissance of California and will be located in Senate District 34 and Assembly District 69.

The project will be receiving rental assistance in the form of Orange County Housing Authority Project-based Vouchers.

Project Number CA-21-107

Project Name Anaheim Midway
Site Address: 110 W Midway Drive
Anaheim CA, 92805 County: Orange
Census Tract: 874.030

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,272,475	\$0
Recommended:	\$2,272,475	\$0

Applicant Information

Applicant: National Community Renaissance of California
Contact: Ashley Wright
Address: 9421 Haven Avenue
Rancho Cucamonga CA, 91730
Phone: (909) 483-2444
Email: awright@nationalcore.org

General Partner(s) / Principal Owner(s): NCRC Anaheim Midway GP, LLC
General Partner Type: Nonprofit
Parent Company(ies): National Community Renaissance of California
Developer: National Community Renaissance of California
Investor/Consultant: Bank of America
Management Agent(s): National Community Renaissance of California

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 86
No. & % of Tax Credit Units: 85 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: Nonprofit (qualified nonprofit organization)
Housing Type: Large Family
Geographic Area: Orange County
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 28	30%
At or Below 40% AMI: 10	10%
At or Below 50% AMI: 29	30%
At or Below 60% AMI: 18	20%

Unit Mix

29 1-Bedroom Units
35 2-Bedroom Units
<u>22 3-Bedroom Units</u>
86 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
8 1 Bedroom	30%	\$756
9 1 Bedroom	30%	\$756
4 1 Bedroom	40%	\$1,009
8 1 Bedroom	50%	\$1,261
8 2 Bedrooms	30%	\$908
5 2 Bedrooms	40%	\$1,211
13 2 Bedrooms	50%	\$1,513
8 2 Bedrooms	60%	\$1,816
3 3 Bedrooms	30%	\$1,049
1 3 Bedrooms	40%	\$1,399
8 3 Bedrooms	50%	\$1,748
10 3 Bedrooms	60%	\$2,098
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$9,317,549
Construction Costs	\$24,135,963
Rehabilitation Costs	\$0
Construction Contingency	\$1,436,471
Relocation	\$0
Architectural/Engineering	\$1,600,000
Const. Interest, Perm. Financing	\$2,204,203
Legal Fees	\$360,000
Reserves	\$475,271
Other Costs	\$2,932,759
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$44,662,215

Residential

Construction Cost Per Square Foot:	\$256
Per Unit Cost:	\$519,328
True Cash Per Unit Cost*:	\$435,607

Construction Financing

Source	Amount
Bank of America	\$24,924,453
AHA Land Loan	\$7,200,000
City of Anaheim Loan	\$6,025,795
County of Orange MHSA	\$738,455
Deferred Costs	\$1,575,271
Tax Credit Equity	\$4,198,242

Permanent Financing

Source	Amount
Bank of America	\$9,167,000
AHA Land Loan	\$7,200,000
City of Anaheim Loan	\$6,025,795
County of Orange MHSA	\$738,455
OCHFT	\$624,197
Tax Credit Equity	\$20,906,768
TOTAL	\$44,662,215

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$19,424,805
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$25,252,246
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,272,475
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Bank of America
Federal Tax Credit Factor:	\$0.92000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	65.901%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ¼ mile of a public elementary school	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Entrada Apartments, located at 1705 7th Street in Riverside, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits to finance the new construction of 64 units of housing serving large families with rents affordable to households earning 30-60 of area median income (AMI). The project will be developed by Wakeland Housing & Development Corporation and will be located in Senate District 31 and Assembly District 61.

Entrada Apartments will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the AHSC program of HCD.

Project Number CA-21-108

Project Name Entrada Apartments
Site Address: 1705 7th Street
Riverside, CA 92507 County: Riverside
Census Tract: 065.0305.03

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,500,000	\$0
Recommended:	\$2,500,000	\$0

Applicant Information

Applicant: Wakeland Entrada LP
Contact: John Sugden
Address: 1230 Columbia Street, Suite 950
San Diego, CA 92101
Phone: 619.326.6212
Email: jsugden@wakelandhdc.com

General Partner(s) / Principal Owner(s): Wakeland Entrada LLC
RHDC Entrada, LLC
General Partner Type: Nonprofit
Parent Company(ies): Wakeland Housing & Development Corporation
Riverside Housing Development Corporation (RHDC)
Developer: Wakeland Housing & Development Corporation
Investor/Consultant: Wakeland Housing & Development Corporation
Management Agent(s): ConAm Mgmt Corp

Project Information

Construction Type: New Construction
Total # Residential Buildings: 5
Total # of Units: 65
No. & % of Tax Credit Units: 64 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Tax-Exempt / HUD Project-based Vouchers (16 units - 25%)

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Inland Empire Region
TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 13	20%
At or Below 50% AMI: 38	60%
At or Below 60% AMI: 13	20%

Unit Mix

15 1-Bedroom Units
20 2-Bedroom Units
30 3-Bedroom Units
65 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	30%	\$444
5 2 Bedrooms	30%	\$533
3 3 Bedrooms	30%	\$616
3 1 Bedroom	50%	\$740
12 2 Bedrooms	50%	\$888
18 3 Bedrooms	50%	\$1,027
2 1 Bedroom	60%	\$888
2 2 Bedrooms	60%	\$1,066
9 3 Bedrooms	60%	\$1,233
5 1 Bedroom	50%	\$740
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,790,163
Construction Costs	\$26,170,212
Rehabilitation Costs	\$0
Construction Contingency	\$1,578,775
Relocation	\$0
Architectural/Engineering	\$885,000
Const. Interest, Perm. Financing	\$2,323,632
Legal Fees	\$146,000
Reserves	\$287,388
Other Costs	\$2,844,500
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$41,225,670

Residential

Construction Cost Per Square Foot:	\$257
Per Unit Cost:	\$634,241
True Cash Per Unit Cost*:	\$613,258

Construction Financing

Source	Amount
Construction Loan	\$28,912,654
Donated Land	\$948,600
Costs Deferred Until Conversion	\$1,659,038
GP Capital Contribution	\$100
HCD AHSC Grant - HRI	\$3,235,000
City of Riverside	\$4,000,000
Impact Fee Waiver (TUMF)	\$415,285
Tax Credit Equity	\$2,054,993

Permanent Financing

Source	Amount
Conventional Perm Loan	\$2,709,000
Donated Land	\$948,600
HCD AHSC Loan	\$7,882,754
HCD AHSC Grant - HRI	\$3,235,000
City of Riverside	\$4,000,000
Impact Fee Waiver (TUMF)	\$415,285
GP Capital Contribution	\$100
Tax Credit Equity	\$22,034,931
TOTAL	\$41,225,670

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,367,522
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,777,779
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Wakeland Housing & Development Corporation
Federal Tax Credit Factor:	\$0.88140

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	70.830%

Significant Information / Additional Conditions

This project has a cost of \$634,241 per unit. This can be attributed to the requirement to pay prevailing wages as a result of the agreement for Project-based vouchers from the Housing Authority of Riverside.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Riverside, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of public high school	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Sonora Garden Apartments, located at Sonora Garden Apartments in Sonora, requested and is being recommended for a reservation of \$530,235 in annual federal tax credits to finance the acquisition and rehabilitation of 33 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Dawson Holdings, Inc. and is located in Senate District 8 and Assembly District 5.

The project will be receiving rental assistance in the form of Project-based USDA RHS 521 Rental Assistance.

Project Number CA-21-110

Project Name Sonora Garden Apartments
Site Address: 100 Greenley Road
Sonora CA, 95370 County: Tuolumne
Census Tract: 12.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$530,235	\$0
Recommended:	\$530,235	\$0

Applicant Information

Applicant: DHI Sonora Garden Apartments, LP
Contact: Justin Solomon
Address: 7250 Redwood Boulevard, Suite 214
Novato CA, 94945
Phone: (415) 609-5355
Email: jsolomon@d-h-i.net

General Partner(s) / Principal Owner(s): DHI Sonora Garden Associates, LLC
Community Resident Services, Inc.
General Partner Type: Joint Venture
Parent Company(ies): Dawson Holdings, Inc.
Community Resident Services, Inc.
Developer: Dawson Holdings, Inc.
Investor/Consultant: R4 Capital LLC
Management Agent(s): AWI Management Corporation

Project Information

Construction Type: Acquisition & Rehabilitation
Total # Residential Buildings: 9
Total # of Units: 34
No. & % of Tax Credit Units: 33 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: USDA 521 Rural Development (31 Units - 93.94%) / USDA 515

Information

Set-Aside: Rural
Housing Type: Large Family
Geographic Area: N/A
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 5	15%
At or Below 45% AMI: 7	20%
At or Below 50% AMI (Rural): 9	25%

Unit Mix

12 1-Bedroom Units
12 2-Bedroom Units
10 3-Bedroom Units
34 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2 1 Bedroom	30%	\$418
3 1 Bedroom	45%	\$628
3 1 Bedroom	50%	\$698
4 1 Bedroom	60%	\$837
2 2 Bedrooms	30%	\$502
2 2 Bedrooms	45%	\$753
4 2 Bedrooms	50%	\$837
3 2 Bedrooms	60%	\$1,005
1 3 Bedrooms	30%	\$580
2 3 Bedrooms	45%	\$870
2 3 Bedrooms	50%	\$967
5 3 Bedrooms	60%	\$1,161
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,003,472
Construction Costs	\$0
Rehabilitation Costs	\$2,563,600
Construction Contingency	\$326,940
Relocation	\$166,895
Architectural/Engineering	\$125,000
Const. Interest, Perm. Financing	\$370,048
Legal Fees	\$165,000
Reserves	\$106,637
Other Costs	\$265,000
Developer Fee	\$593,790
Commercial Costs	\$0
Total	\$6,686,382

Residential

Construction Cost Per Square Foot:	\$91
Per Unit Cost:	\$196,658
True Cash Per Unit Cost*:	\$188,936

Construction Financing

Source	Amount
Bonneville Multifamily Capital	\$3,100,000
USDA 515	\$1,107,434
Cash Flow From Operations	\$64,285
Deferred Costs	\$267,211
Tax Credit Equity	\$2,147,452

Permanent Financing

Source	Amount
Bonneville Multifamily Capital	\$480,000
USDA 515	\$1,107,434
Cash Flow From Operations	\$64,285
Deferred Developer Fee	\$262,548
Tax Credit Equity	\$4,772,115
TOTAL	\$6,686,382

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$4,230,170
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$882,616
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$5,499,221
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$882,616
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$494,930
Maximum Annual Federal Credit, Acquisition:	\$35,305
Total Maximum Annual Federal Credit:	\$530,235
Approved Developer Fee (in Project Cost & Eligible Basis):	\$593,790
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.90000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	45.515%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/4 mile of transit station or public bus stop	4	4	4
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within 2 miles of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 3/4 mile of a public elementary school	3	3	3
Within 1 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

The Laurel, located at 1413 Michigan Avenue in Santa Monica, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits to finance the new construction of 57 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by EAH, Inc. and will be located in Senate District 26 and Assembly District 50.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-115

Project Name The Laurel
Site Address: 1413 Michigan Avenue
Santa Monica, CA 90404 County: Los Angeles
Census Tract: 7018.020

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,500,000	\$0
Recommended:	\$2,500,000	\$0

Applicant Information

Applicant: EAH Inc.
Contact: Welton Jordan
Address: 22 Pelican Way
San Rafael , CA 94901
Phone: 415-295-8876
Email: welton.jordan@eahhousing.org

General Partner(s) / Principal Owner(s): Laurel EAH NC, LLC
General Partner Type: Nonprofit
Parent Company(ies): EAH Inc.
Developer: EAH Inc.
Investor/Consultant: California Housing Partnership
Management Agent(s): EAH Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 58
No. & % of Tax Credit Units: 57 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (57 units - 100%)

Information

Set-Aside: N/A
Housing Type: Special Needs
Type of Special Needs: Homeless/formerly homeless
Average Targeted Affordability of Special Needs/SRO Project Unit: 30.00%
% of Special Need Units: 57 units 100.00%
Geographic Area: Balance of Los Angeles County
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 57	80%

Unit Mix

<u>57 SRO/Studio Units</u>
58 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
57 SRO/Studio	30%	\$620
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$7,375,514
Construction Costs	\$20,444,521
Rehabilitation Costs	\$0
Construction Contingency	\$2,000,803
Relocation	\$0
Architectural/Engineering	\$1,154,000
Const. Interest, Perm. Financing	\$1,524,438
Legal Fees	\$75,000
Reserves	\$989,974
Other Costs	\$915,242
Developer Fee	\$1,123,982
Commercial Costs	\$0
Total	\$35,603,474

Residential

Construction Cost Per Square Foot:	\$513
Per Unit Cost:	\$613,853
True Cash Per Unit Cost*:	\$613,853

Construction Financing

<u>Source</u>	<u>Amount</u>
MUFG Union Bank, N.A.	\$20,283,002
City of Santa Monica Housing Trust Fund	\$11,742,234
Deferred Costs	\$1,444,928
GP Contribution	\$100
Tax Credit Equity	\$2,133,210

Permanent Financing

<u>Source</u>	<u>Amount</u>
MUFG Union Bank, N.A.	\$1,030,000
City of Santa Monica Housing Trust Fund	\$11,742,234
GP Contribution	\$100
Tax Credit Equity	\$22,831,140
TOTAL	\$35,603,474

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,367,522
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,777,779
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,123,982
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.91325

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	70.650%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

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The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Residents provided free or discounted transit passes, 1 pass per unit	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Los Arroyos II, located at the Southeast Corner of Walnut Avenue and Farmersville Boulevard in Farmersville, requested and is being recommended for a reservation of \$1,609,203 in annual federal tax credits to finance the new construction of 54 units of housing serving large families with rents affordable to households earning 30-50% of area median income (AMI). The project will be developed by Self- Help Enterprises and will located in Senate District 14 and Assembly District 26.

The project financing includes state funding from the Joe Serna, Jr. Farmworker Housing Grant (FWHG) and Permanent Local Housing Allocation (PLHA) program(s) of HCD.

Project Number CA-21-118

Project Name Los Arroyos II
Site Address: Southeast Corner of Walnut Avenue
Farmersville, CA 93223 County: Tulare
Census Tract: 16.010

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,609,203	\$0
Recommended:	\$1,609,203	\$0

Applicant Information

Applicant: Self-Help Enterprises
Contact: Betsy McGovern-Garcia
Address: 8445 W. Elowin Court
Visalia, CA 93291
Phone: 559-802-1653
Email: betsyg@selfhelpenterprises.org

General Partner(s) / Principal Owner(s): Self-Help Enterprises
General Partner Type: Nonprofit Corporation
Parent Company(ies): Self-Help Enterprises
Developer: Self-Help Enterprises
Investor/Consultant: Community Economics, Inc.
Management Agent(s): A.W.I Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 9
Total # of Units: 54
No. & % of Tax Credit Units: 53 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: Rural
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 11	20%
At or Below 50% AMI (Rural): 42	50%

Unit Mix

18 1-Bedroom Units
18 2-Bedroom Units
18 3-Bedroom Units
54 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
4 1 Bedroom	30%	\$392
14 1 Bedroom	50%	\$653
4 2 Bedrooms	30%	\$471
14 2 Bedrooms	50%	\$785
3 3 Bedrooms	30%	\$543
14 3 Bedrooms	50%	\$906
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$752,500
Construction Costs	\$14,808,000
Rehabilitation Costs	\$0
Construction Contingency	\$965,400
Relocation	\$0
Architectural/Engineering	\$600,000
Const. Interest, Perm. Financing	\$659,604
Legal Fees	\$75,000
Reserves	\$132,894
Other Costs	\$903,653
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$21,097,051

Residential

Construction Cost Per Square Foot:	\$279
Per Unit Cost:	\$390,686
True Cash Per Unit Cost*:	\$372,089

Construction Financing

Source	Amount
US Bank	\$12,412,857
HCD - Serna	\$5,000,000
HCD - PLHA	\$196,079
Waived Impact Fees	\$204,266
GP Equity	\$925
Tax Credit Equity	\$1,467,593

Permanent Financing

Source	Amount
US Bank	\$492,000
HCD - Serna	\$5,000,000
HCD - PLHA	\$196,079
Waived Impact Fee	\$204,266
GP Equity	\$925
Deferred Developer Fee	\$800,000
Tax Credit Equity	\$14,403,781
TOTAL	\$21,097,051

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$13,753,868
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$17,880,029
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,609,203
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Community Economics, Inc.
Federal Tax Credit Factor:	\$0.89509

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	43.513%

Significant Information / Additional Conditions

The 5.94 acres of the purchased site was originally part of a larger parcel of land that underwent a lot line adjustment and parcel split so as to separate the remaining commercial portion from the portion Self-Help Enterprises purchased that is zoned for Multifamily Residential. At 180 Day Readiness, this lot line adjustment should be verified by TCAC.

TCAC corrected a duplication of Service Amenities expenses at initial application, which removed \$19,400 from operating costs and results in the project's pro forma showing cash flow after debt service exceeding limits established by TCAC Regulations. Pursuant to TCAC Regulations 10327(g), the overage of cash flow is within the \$25,000 limit allowed by Committee. The applicant must correct the cash flow overage in the next updated TCAC application required by TCAC, and all subsequent submissions to TCAC, including the placed-in-service submission for the issuance of the IRS 8609 forms.

The laundry room in the community building includes 13 washers/dryers for both phases (108 units) which exceeds the combined requirements for both phases. The laundry room in the community room building is accessible to both phases (Los Arroyos I and II) through the Joint Use Agreement.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Nestor Senior Village, located at 1120 Nestor Way in San Diego, requested and is being recommended for a reservation of \$1,688,933 in annual federal tax credits to finance the new construction of 73 units of housing serving special needs tenants with rents affordable to households earning 25-30% of area median income (AMI). The project will be developed by National Community Renaissance of California and will be located in Senate District 40 and Assembly District 80.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program(s) of HCD.

Project Number CA-21-119

Project Name Nestor Senior Village
Site Address: 1120 Nestor Way
San Diego, CA 92154 County: San Diego
Census Tract: 101.100

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,688,933	\$0
Recommended:	\$1,688,933	\$0

Applicant Information

Applicant: NCRC NSV LP
Contact: Ashley Wright
Address: 9421 Haven Ave.
Rancho Cucamonga, CA 92120
Phone: 909-483-2444
Email: awright@nationalcore.org

General Partner(s) / Principal Owner(s): NCRC NSV GP LLC
General Partner Type: Nonprofit
Parent Company(ies): National Community Renaissance of California
Developer: National Community Renaissance of California
Investor/Consultant: Hudson Housing Capital
Management Agent(s): National Community Renaissance of California

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 74
No. & % of Tax Credit Units: 73 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (73 units - 100%)

Information

Set-Aside: Nonprofit (homeless assistance)
Housing Type: Special Needs
Type of Special Needs: Homeless, formerly homeless
Average Targeted Affordability of Special Needs/SRO Project Units: 28.29%
% of Special Need Units: 73 units 100.00%
Geographic Area: San Diego County
TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 73	80%

Unit Mix

73 SRO/Studio Units
<u>1 2-Bedroom Units</u>
74 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
25 SRO/Studio	25%	\$530
48 SRO/Studio	30%	\$636
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,901,594
Construction Costs	\$13,977,169
Rehabilitation Costs	\$0
Construction Contingency	\$940,088
Relocation	\$0
Architectural/Engineering	\$1,085,000
Const. Interest, Perm. Financing	\$1,232,706
Legal Fees	\$210,000
Reserves	\$3,693,828
Other Costs	\$3,238,505
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$31,478,890

Residential

Construction Cost Per Square Foot:	\$317
Per Unit Cost:	\$425,390
True Cash Per Unit Cost*:	\$408,925

Construction Financing

Source	Amount
JP Morgan Chase Bank, N.A.	\$11,500,000
County of San Diego - NPLH	\$6,750,000
San Diego Housing Commission	\$2,997,000
City of SD - Impact Fee Waiver	\$1,217,152
Affordable Housing Program	\$730,000
Deferred Costs	\$5,240,843
Tax Credit Equity	\$3,043,894

Permanent Financing

Source	Amount
JP Morgan Chase Bank, N.A.	\$2,993,378
County of San Diego - NPLH	\$7,500,000
San Diego Housing Commission	\$3,330,000
City of SD - Impact Fee Waiver	\$1,217,152
Affordable Housing Program	\$730,000
Deferred Developer Fee	\$1,285
Tax Credit Equity	\$15,707,075
TOTAL	\$31,478,890

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$14,435,324
130% High Cost Adjustment:	Yes
Requested Eligible Basis:	\$0
Applicable Fraction:	100.00%
Qualified Basis:	\$18,765,921
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,688,933
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Hudson Housing Capital
Federal Tax Credit Factor:	\$0.93000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	83.774%

Significant Information / Additional Conditions: None.

The proposed rent does not include a utility allowance. The owner will pay for all utilities.

Resyndication and Resyndication Transfer Event: None.**Local Reviewing Agency**

The Local Reviewing Agency, San Diego Housing Commission, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within ½ mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Stanton Apartment Homes, located at 7161 Katella Ave in Stanton, requested and is being recommended for a reservation of \$1,559,003 in annual federal tax credits to finance the new construction of 71 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Jamboree Housing Corporation and will be located in Senate District 29 and Assembly District 65.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project also includes state financing from the Homekey Fund and Capitalized Operating Subsidy Reserves (COSR) programs from HCD.

Project Number CA-21-146

Project Name Stanton Apartment Homes
Site Address: 7161 Katella Avenue
Stanton CA, 90680 County: Orange
Census Tract: 879.020

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,559,003	\$0
Recommended:	\$1,559,003	\$0

Applicant Information

Applicant: Katella Housing Partners LP
Contact: Mario Turner
Address: 17701 Cowan Avenue Suite 200
Irvine CA, 92614
Phone: 949-208-3949
Email: mturner@jamboreehousing.com

General Partner(s) / Principal Owner(s): JHC-Katella MGP LLC
General Partner Type: Nonprofit
Parent Company(ies): Jamboree Housing Corporation
Developer: Jamboree Housing Corporation
Investor/Consultant: Union Bank
Management Agent(s): American Family Housing

Project Information

Construction Type: New Construction/Adaptive Reuse
Total # Residential Buildings: 1
Total # of Units: 72
No. & % of Tax Credit Units: 71 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Tax-Exempt / Section 8 Project-based vouchers (71 units - 100%)

Information

Set-Aside: Nonprofit (homeless assistance)
Housing Type: Special Needs
Type of Special Needs: Homeless, formerly homeless
Average Targeted Affordability of Special Needs/SRO Project Units: 30.00%
% of Special Need Units: 100.00%
Geographic Area: Orange County
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 71	80%

Unit Mix

54 SRO/Studio Units
18 1-Bedroom Units
72 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
54 SRO/Studio	30%	\$706
17 1 Bedroom	30%	\$757
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$7,380,921
Construction Costs	\$9,863,599
Rehabilitation Costs	\$0
Construction Contingency	\$1,245,000
Relocation	\$0
Architectural/Engineering	\$615,000
Const. Interest, Perm. Financing	\$793,771
Legal Fees	\$245,000
Reserves	\$1,190,199
Other Costs	\$4,179,744
Developer Fee	\$1,976,145
Commercial Costs	\$0
Total	\$27,489,379

Residential

Construction Cost Per Square Foot:	\$253
Per Unit Cost:	\$381,797
True Cash Per Unit Cost*:	\$381,797

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Union Bank	\$12,498,806	Union Bank	\$3,329,000
Project Homekey Funds	\$7,920,000	Project Homekey Funds	\$7,920,000
County of Orange	\$1,085,000	County of Orange	\$1,085,000
Interim Use Period COSR	\$1,527,520	Interim Use Period COSR	\$1,527,520
Deferred Costs	\$2,490,374	Tax Credit Equity	\$13,627,859
Tax Credit Equity	\$1,967,679	TOTAL	\$27,489,379

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$13,324,815
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$17,322,260
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,559,003
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,976,145
Investor/Consultant:	Union Bank
Federal Tax Credit Factor:	\$0.87414

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	94.658%

Significant Information / Additional Conditions

This project is an adaptive reuse of an existing motel. The 1.01-acre project site would convert the existing 72-unit Stanton Inn into a 71-unit affordable community and a one-bedroom manager’s unit. Residential units would consist of 54 studios and 18 one-bedroom units.

The applicant’s estimate of contractor profit, overhead and general requirement costs exceeds TCAC limit of 14%. The applicant is cautioned that at final review, prior to the issuance of the IRS 8609 forms, any costs or eligible basis that exceeds the limits will not be allowed.

The proposed rent does not include a utility allowance. The owner will pay for all utilities.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Special Needs project within 1 mile of facility serving tenant population	2	2	2
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Kern County Apartments, located at 4 sites in Kern County at the address listed below and is being recommended for a reservation of \$1,041,888 in annual federal tax credits and \$3,472,960 in requested total state tax credits to finance the rehabilitation of 112 units of housing serving tenants with rents affordable to households earning 30-80% of area median income (AMI). The project will be developed by Horizon ELOM Holdings, LLC and will be located in Senate District 14 and Assembly District 32.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will be preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of USDA RHS 521 Rental Assistance.

Project Number	CA-21-147	
Project Name	Kern County Apartments	
Site Address:	<u>Site 1 (32 Units)</u> Walnut Apartments 293, 295, 297 and 299 Walnut Drive Arvin, CA 93203	<u>Site 2 (36 Units)</u> La Fiesta Apartments 505, 510, 515, 520, 525, 530, 535 540 & 545 San Juan Street McFarland, CA 93250
Census Tract:	63.03	47.02
	<u>Site 3 (24 Units)</u> Skyway Apartments 500, 510 State Street, and 501 & 511 Jackson Ave Shafter, CA 83263	<u>Site 4 (24 Units)</u> Sunset Apartments 800 Griffith Ave, and 1215 & 1235 8th Place Wasco, CA 93280
Census Tract:	41.01	44.01
County:	Kern	

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$1,041,888	\$3,472,960
Recommended:	\$1,041,888	\$3,472,960

* The applicant made an election not to sell (Certificate) any portion of the state credits.

Applicant Information

Applicant: Horizon ELOM Holdings, LLC
 Contact: Keith Stanley
 Address: 26565 West Agoura Road, Suite 200
 Calabasas, CA 91302
 Phone: 818-330-3314
 Email: keith.stanley@horizondev.com

General Partner(s) / Principal Owner(s): Horizon Development Consulting, LLC
 ELOM LLC
 AOF/Pacific Affordable Housing Corp.
 General Partner Type: Joint Venture
 Parent Company(ies): Horizon Development Consulting, LLC
 ELOM LLC
 The American Opportunity Foundation, Inc.
 Developer: Horizon ELOM Holdings, LLC
 Investor/Consultant: RBC Capital Markets, Inc.
 Management Agent(s): Michaels Management-Affordable, LLC

Project Information

Construction Type: Rehabilitation-Only
 Total # Residential Buildings: 20
 Total # of Units: 116
 No. & % of Tax Credit Units: 112 100%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: USDA 515 / USDA RHS 521 (94 units - 83.93%)

Information

Set-Aside: Rural
 Housing Type: At-Risk
 Geographic Area: N/A
 TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
At or Below 30% AMI:	17	15%
At or Below 40% AMI:	28	25%
At or Below 50% AMI (Rural):	28	25%
At or Below 60% AMI:	29	25%
At or Below 80% AMI:	10	5%

Unit Mix

53 1-Bedroom Units
 55 2-Bedroom Units
 8 3-BedroomUnits

 116 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
6 1 Bedroom	30%	\$392
27 1 Bedroom	40%	\$523
10 1 Bedroom	50%	\$653
9 2 Bedrooms	30%	\$471
14 2 Bedrooms	50%	\$785
22 2 Bedrooms	60%	\$942
2 3 Bedrooms	30%	\$543
4 3 Bedrooms	60%	\$1,087
1 1 Bedroom	40%	\$523
4 1 Bedroom	50%	\$653
4 1 Bedroom	80%	\$784
2 2 Bedrooms	60%	\$942
6 2 Bedrooms	80%	\$942
1 3 Bedrooms	60%	\$1,087
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0
1 1 Bedroom	Manager's Unit	\$0
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,300,000
Construction Costs	\$0
Rehabilitation Costs	\$7,621,109
Construction Contingency	\$998,375
Relocation	\$459,200
Architectural/Engineering	\$200,000
Const. Interest, Perm. Financing	\$805,948
Legal Fees	\$160,000
Reserves	\$1,023,131
Other Costs	\$387,496
Developer Fee	\$1,509,982
Commercial Costs	\$0
Total	\$17,465,241

Residential

Construction Cost Per Square Foot:	\$87
Per Unit Cost:	\$150,562
True Cash Per Unit Cost*:	\$145,731

Construction Financing

<u>Source</u>	<u>Amount</u>
Merchants Bank of Indiana 538	\$3,050,000
Merchants Bank of Indiana Bridge Loan	\$8,550,000
USDA 515	\$1,652,057
Deferred Developer Fee	\$1,412,765
Tax Credit Equity	\$2,800,419

Permanent Financing

<u>Source</u>	<u>Amount</u>
Merchants Bank of Indiana 538	\$3,050,000
USDA 515	\$1,652,057
Existing Replacement Reserves	\$287,529
Deferred Developer Fee	\$560,415
Tax Credit Equity	\$11,915,240
TOTAL	\$17,465,241

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$11,576,534
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$11,576,534
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,041,888
Total State Credit:	\$3,472,960
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,509,982
Investor/Consultant:	RBC Capital Markets, Inc.
Federal Tax Credit Factor:	\$0.88031
State Tax Credit Factor:	\$0.78992

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	At-Risk
Final:	43.918%

Significant Information / Additional Conditions

This project involves the substantial rehabilitation of 4 scattered-sites currently operating as apartment complexes in City of Arvin, McFarland, Shafter, and Wasco.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
SITE 1 WALNUT APARTMENTS (32 UNITS)			
Within ¼ mile of transit station or public bus stop	7	7	7
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	2	2	2
SITE 2 LA FIRTA APARTMENTS (36 UNITS)			
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a pharmacy	2	2	2
In-unit high speed internet service (Rural set-aside only)	3	3	3
SITE 3 SKYWAY APARTMENTS (24 UNITS)			
Within ¼ mile of transit station or public bus stop	7	7	7
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of 5,000 sf	4	4	4
Within 1 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	2	2	2
SITE 4 SUNSET APARTMENTS (24 UNITS)			
Within ¼ mile of transit station or public bus stop	5	5	5
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of 5,000 sf	4	4	4
Within 1 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Sagewood, located at 7246 Stine Road in Bakersfield, requested and is being recommended for a reservation of \$1,513,498 in annual federal tax credits to finance the new construction of 71 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Chelsea Investment Corporation and will be located in Senate District 16 and Assembly District 34.

The project financing includes state funding from the Joe Serna, Jr. program of HCD.

Project Number CA-21-148

Project Name Sagewood
Site Address: 7246 Stine Road
Bakersfield, CA 93313 County: Kern
Census Tract: 32.050

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,513,498	\$0
Recommended:	\$1,513,498	\$0

Applicant Information

Applicant: Stine & Berkshire CIC, LP
Contact: Robert W. Laing
Address: 16935 West Bernardo Drive, Suite 238
San Diego, CA 92127
Phone: 858-675-0506
Email: robertlaing@pswcdc.org

General Partner(s) / Principal Owner(s): Pacific Southwest Community Development Corporation
General Partner Type: Nonprofit
Parent Company(ies): Pacific Southwest Community Development Corporation
Developer: Chelsea Investment Corporation
Investor/Consultant: Candeur Group
Management Agent(s): CIC Management, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 72
No. & % of Tax Credit Units: 71 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HOME

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>	
At or Below 30% AMI:	8	10%
At or Below 40% AMI:	11	15%
At or Below 50% AMI:	30	40%
At or Below 60% AMI:	22	30%

Unit Mix

18 1-Bedroom Units
36 2-Bedroom Units
18 3-BedroomUnits
<u>72 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 1 Bedroom	60%	\$784
7 1 Bedroom	50%	\$653
2 1 Bedroom	40%	\$523
2 1 Bedroom	30%	\$392
10 2 Bedrooms	60%	\$942
15 2 Bedrooms	50%	\$785
6 2 Bedrooms	40%	\$628
4 2 Bedrooms	30%	\$471
5 3 Bedrooms	60%	\$1,087
8 3 Bedrooms	50%	\$906
3 3 Bedrooms	40%	\$725
2 3 Bedrooms	30%	\$543
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,275,000
Construction Costs	\$15,104,644
Rehabilitation Costs	\$0
Construction Contingency	\$885,154
Relocation	\$0
Architectural/Engineering	\$577,750
Const. Interest, Perm. Financing	\$1,194,413
Legal Fees	\$117,500
Reserves	\$141,969
Other Costs	\$1,767,664
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$23,264,094

Residential

Construction Cost Per Square Foot:	\$281
Per Unit Cost:	\$323,112
True Cash Per Unit Cost*:	\$323,112

Construction Financing

Source	Amount
Citibank	\$16,550,517
City of Bakersfield HOME	\$1,000,000
City of Bakersfield PSVS	\$1,500,000
Deferred Fees and Costs	\$1,878,579
Tax Credit Equity	\$2,334,999

Permanent Financing

Source	Amount
Citibank	\$2,832,200
HCD Joe Serna, Jr. FWHG	\$4,764,463
City of Bakersfield HOME	\$1,000,000
City of Bakersfield PSVS	\$1,500,000
Tax Credit Equity	\$13,167,431
TOTAL	\$23,264,094

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$12,935,879
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$16,816,643
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,513,498
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Candeur Group
Federal Tax Credit Factor:	\$0.87000

The "as if vacant" land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	66.859%

Significant Information / Additional Conditions

The applicant's estimate of the contractor's profit, overhead and general requirement costs exceed the limits established by regulation. At final review prior to the issuance of the IRS 8609 tax forms, any costs and basis in excess of the limit will not be allowed.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Bakersfield, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of a public high school	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Highest or High Resources Area	8	8	8
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	0
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Bay Oaks Apartments, located at 2400 Gloria Way in East Palo Alto, requested and is being recommended for a reservation of \$1,210,654 in annual federal tax credits to finance the acquisition and rehabilitation of 37 units of housing serving large families with rents affordable to households earning 30-50% of area median income (AMI). The project will be developed by MidPen Housing Corporation and is located in Senate District 13 and Assembly District 24.

Bay Oaks Apartments is a re-syndication of an existing Low Income Housing Tax Credit (LIHTC) project, Bay Oaks (CA-95-054). See **Resyndication and Resyndication Transfer Event** below for additional information.

Project Number CA-21-150

Project Name Bay Oaks Apartments
Site Address: 2400 Gloria Way
East Palo Alto CA, 94303 County: San Mateo
Census Tract: 6118.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,210,654	\$0
Recommended:	\$1,210,654	\$0

Applicant Information

Applicant: MP Bay Road Associates, L.P.
Contact: Jan M. Lindenthal
Address: 303 Vintage Park Drive, Suite 250
Foster City CA, 94404
Phone: 650.356.2900
Email: jlindenthal@midpen-housing.org

General Partner(s) / Principal Owner(s): MP Bay Road LLC
Bay Oaks CANDO, LLC

General Partner Type: Nonprofit
Parent Company(ies): Mid-Peninsula Half Moon Bay, Inc.
EPACANDO, Inc.

Developer: MidPen Housing Corporation
Investor/Consultant: California Housing Partnership Corporation
Management Agent(s): MidPen Property Management

Project Information

Construction Type: Acquisition & Rehabilitation
Total # Residential Buildings: 5
Total # of Units: 38
No. & % of Tax Credit Units: 37 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HOME / CDBG

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: South and West Bay Region
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 5	10%
At or Below 35% AMI: 6	15%
At or Below 50% AMI: 26	40%

Unit Mix

20 2-Bedroom Units
10 3-Bedroom Units
8 4-Bedroom Units
38 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2 2 Bedrooms	30%	\$1,022
2 3 Bedrooms	30%	\$1,326
1 4 Bedrooms	30%	\$1,257
4 2 Bedrooms	35%	\$1,072
1 3 Bedrooms	35%	\$1,201
1 4 Bedrooms	35%	\$1,329
6 2 Bedrooms	50%	\$1,072
3 3 Bedrooms	50%	\$1,201
3 4 Bedrooms	50%	\$1,329
7 2 Bedrooms	50%	\$1,482
4 3 Bedrooms	50%	\$1,539
3 4 Bedrooms	50%	\$1,889
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,079,543
Construction Costs	\$0
Rehabilitation Costs	\$9,506,319
Construction Contingency	\$1,254,570
Relocation	\$950,000
Architectural/Engineering	\$845,460
Const. Interest, Perm. Financing	\$749,886
Legal Fees	\$75,500
Reserves	\$284,504
Other Costs	\$361,853
Developer Fee	\$1,998,311
Commercial Costs	\$0
Total	\$19,105,946

Residential

Construction Cost Per Square Foot:	\$208
Per Unit Cost:	\$502,788
True Cash Per Unit Cost*:	\$487,166

Construction Financing

Source	Amount
Wells Fargo Bank	\$10,643,925
San Mateo HOME Loan**	\$1,687,427
San Mateo CDBG-A Loan**	\$281,290
San Mateo CDBG-B Loan**	\$345,369
San Mateo CDBG-A***	\$750,000
San Mateo CDBG-B***	\$1,125,000
San Mateo AHF***	\$750,000
Seller Carryback Loan	\$593,633
Existing Reserves	\$154,018
Costs Deferred to Conversion	\$1,756,361
Tax Credit Equity	\$961,643

Permanent Financing

Source	Amount
CCRC - Tranche A	\$2,328,000
San Mateo HOME Loan**	\$1,687,427
San Mateo CDBG-A Loan**	\$281,290
San Mateo CDBG-B Loan**	\$345,369
San Mateo CDBG-A***	\$750,000
San Mateo CDBG-B***	\$1,125,000
San Mateo AHF***	\$750,000
Seller Carryback Loan	\$593,633
Existing Reserves	\$154,018
Tax Credit Equity	\$11,033,929
TOTAL	\$19,048,666

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Assumed

***New

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$10,347,468
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$13,451,708
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,210,654
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,998,311
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.91613

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	36.088%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event

Prior to closing, the applicant or its assignee shall obtain TCAC's consent to assign and assume the existing Regulatory Agreement (CA-95-054). To be eligible for a new award of tax credits, the owner must provide documentation with the Form 8609 request (the placed in service submission) that the acquisition date and the placed in service date both occurred after the existing federal 15 year compliance period was completed.

As required by the IRS, the newly resyndicated project will continue to use the originally assigned Building Identification Numbers (BINs).

The newly resyndicated project shall continue to meet the rents and income targeting levels in the existing regulatory agreement(s) and any deeper targeting levels in the new regulatory agreement(s) for the duration of the new regulatory agreement(s). Existing households determined to be income-qualified for purposes of IRC §42 credit during the 15-year compliance period are concurrently income-qualified households for purposes of the extended use agreement. As a result, any household determined to be income qualified at the time of move-in under the existing regulatory agreement (CA-95-054) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a re-syndication occurring concurrently with a Transfer Event without distribution of Net Project Equity, and thus is waived from setting aside a Short Term Work Capitalized Replacement Reserve that is otherwise required.

Local Reviewing Agency

The Local Reviewing Agency, the City of East Palo Alto, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 minutes in rush hours	6	6	6
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a public middle school	3	3	3
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Casa Sonoma Apartments, located at 513 West Canal Street in Calexico, requested and is being recommended for a reservation of \$644,715 in annual federal tax credits and \$1,549,636 in total state tax credits to finance the acquisition and rehabilitation of 67 units of housing serving tenants with rents affordable to households earning 30-70% of area median income (AMI). The project will be developed by Synergy Community Development Corporation and is located in Senate District 40 and Assembly District 56.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will be preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of USDA RHS 521 Rental Assistance.

Project Number CA-21-151

Project Name Casa Sonoma Apartments
Site Address: 513 W Canal St.
Calexico, CA 92231 County: Imperial
Census Tract: 122.000

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$644,715	\$1,549,636
Recommended:	\$644,715	\$1,549,636

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant: Step Forward Communities
Contact: Duane Henry
Address: 638 Camino de Los Mares, Suite H130-467
San Clemente, CA 92673
Phone: 850-748-2360
Email: duane.henry@stepforwardcommunities.com

General Partner(s) / Principal Owner(s): Synergy Community Development Corporation
Step Forward Communities
General Partner Type: Nonprofit
Parent Company(ies): Synergy Community Development Corporation
Step Forward Communities
Developer: Synergy Community Development Corporation
Investor/Consultant: Alliant Capital
Management Agent(s): Hyder & Company

Project Information

Construction Type: Acquisition & Rehabilitation
 Total # Residential Buildings: 17
 Total # of Units: 68
 No. & % of Tax Credit Units: 67 100%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: USDA 538 / USDA RHS 515 and 521 Rental Assistance (27 units - 40%)

Information

Set-Aside: At-Risk
 Housing Type: At-Risk
 Geographic Area: Inland Empire Region
 TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 14	20%
At or Below 40% AMI: 7	10%
At or Below 50% AMI: 24	35%
At or Below 60% AMI: 20	25%
At or Below 70% AMI: 2	0%

Unit Mix

16 1-Bedroom Units
28 2-Bedroom Units
24 3-Bedroom Units
68 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
4 1 Bedroom	30%	\$392
4 1 Bedroom	40%	\$523
3 1 Bedroom	50%	\$634
5 1 Bedroom	60%	\$634
6 2 Bedrooms	30%	\$471
1 2 Bedrooms	40%	\$628
1 2 Bedrooms	40%	\$628
1 2 Bedrooms	50%	\$696
10 2 Bedrooms	50%	\$696
8 2 Bedrooms	60%	\$711
1 2 Bedrooms	70%	\$711
4 3 Bedrooms	30%	\$543
1 3 Bedrooms	40%	\$725
2 3 Bedrooms	50%	\$815
8 3 Bedrooms	50%	\$815
7 3 Bedrooms	60%	\$806
1 3 Bedrooms	70%	\$815
1 3 Bedrooms	Manager's Unit	\$707

Project Cost Summary at Application

Land and Acquisition	\$3,300,000
Construction Costs	\$0
Rehabilitation Costs	\$4,379,540
Construction Contingency	\$426,360
Relocation	\$33,500
Architectural/Engineering	\$145,150
Const. Interest, Perm. Financing	\$336,838
Legal Fees	\$117,000
Reserves	\$212,043
Other Costs	\$114,110
Developer Fee	\$906,514
Commercial Costs	\$0
Total	\$9,971,055

Residential

Construction Cost Per Square Foot:	\$75
Per Unit Cost:	\$146,633
True Cash Per Unit Cost*:	\$146,595

Construction Financing

Source	Amount
Sterling Bank	\$5,225,000
USDA RHS 515	\$1,860,000
Acquired Reserves	\$188,705
Tax Credit Equity	\$3,908,430

Permanent Financing

Source	Amount
Rose Community Capital USDA 538	\$1,122,500
USDA RHS 515	\$1,860,000
Acquired Reserves	\$188,705
Deferred Developer Fee	\$2,581
Tax Credit Equity	\$6,797,269
TOTAL	\$9,971,055

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$5,967,586
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$2,690,803
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$5,967,586
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$2,690,803
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$537,083
Maximum Annual Federal Credit, Acquisition:	\$107,632
Total Maximum Annual Federal Credit:	\$644,715
Total State Credit:	\$1,549,636
Approved Developer Fee (in Project Cost & Eligible Basis):	\$906,514
Investor/Consultant:	Alliant Capital
Federal Tax Credit Factor:	\$0.85000
State Tax Credit Factor:	\$0.85000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	At-Risk
Final:	34.455%

Significant Information / Additional Conditions

Casa Sonoma Apartments was built in two phases that became operational in 1986 (Casa Sonoma I) and 1989 (Casa Sonoma II). Both phases will be combined into one project, but will retain their respective sets of USDA utility allowances, one per phase.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ¼ mile of a public elementary school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Gloria Drive Apartments, located at 7201 Gloria Drive in Sacramento, requested and is being recommended for a reservation of \$1,114,732 in annual federal tax credits and \$3,699,710 in total state tax credits to finance the acquisition and rehabilitation of 31 units of housing with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by DHI Gloria Drive Associates, LLC and is located in Senate District 6 and Assembly District 9.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will be preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contracts.

Project Number CA-21-154

Project Name Gloria Drive Apartments
Site Address: 7201 Gloria Drive
Sacramento, CA 95831 County: Sacramento
Census Tract: 40.090

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$1,114,732	\$3,699,710
Recommended:	\$1,114,732	\$3,699,710

* The applicant made an election not to sell (Certificate) any portion of the state credits.

Applicant Information

Applicant: DHI Gloria Drive Apartments, LP
Contact: Justin Solomon
Address: 7250 Redwood Boulevard, Suite 214
Novato, CA 94945
Phone: (415) 609-5352
Email: jsolomon@d-h-i.net

General Partner(s) / Principal Owner(s): DHI Gloria Drive Associates, LLC
Community Resident Services, Inc.
General Partner Type: Joint Venture
Parent Company(ies): Dawson Holdings, Inc.
Community Resident Services, Inc.
Developer: DHI Gloria Drive Associates, LLC
Investor/Consultant: R4 Capital LLC
Management Agent(s): Sackett Corporation

Project Information

Construction Type: Acquisition & Rehabilitation
 Total # Residential Buildings: 7
 Total # of Units: 32
 No. & % of Tax Credit Units: 31 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Section 8 Project-based Contract (31 units - 100%)

Information

Set-Aside: At-Risk
 Housing Type: At-Risk
 Geographic Area: Capital Region
 TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
At or Below 30% AMI:	4	13%
At or Below 45% AMI:	10	32%
At or Below 50% AMI:	8	26%
At or Below 60% AMI:	9	29%

Unit Mix

16 1-Bedroom Units
16 2-Bedroom Units
<u>32 Total Units</u>

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2 1 Bedroom	30%	\$510
5 1 Bedroom	45%	\$765
4 1 Bedroom	50%	\$850
5 1 Bedroom	60%	\$1,020
2 2 Bedrooms	30%	\$612
5 2 Bedrooms	45%	\$918
4 2 Bedrooms	50%	\$1,020
4 2 Bedrooms	60%	\$1,224
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$10,800,000
Construction Costs	\$0
Rehabilitation Costs	\$6,913,600
Construction Contingency	\$754,440
Relocation	\$399,842
Architectural/Engineering	\$200,000
Const. Interest, Perm. Financing	\$642,841
Legal Fees	\$165,000
Reserves	\$133,554
Other Costs	\$436,063
Developer Fee	\$1,565,663
Commercial Costs	\$0
Total	\$22,011,003

Residential

Construction Cost Per Square Foot:	\$273
Per Unit Cost:	\$687,844
True Cash Per Unit Cost*:	\$687,844

Construction Financing

Source	Amount
ORIX Real Estate Capital, LLC	\$4,395,000
GP Loan	\$6,382,962
Cash Flow From Operations	\$189,540
State Tax Credit Equity	\$2,515,802
Tax Credit Equity	\$8,527,699

Permanent Financing

Source	Amount
ORIX Real Estate Capital, LLC	\$4,395,000
GP Contribution	\$4,434,107
Cash Flow From Operations	\$189,540
Tax Credit Equity	\$12,992,356
TOTAL	\$22,011,003

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$10,243,916
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$4,819,500
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$10,243,916
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$4,819,500
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$921,952
Maximum Annual Federal Credit, Acquisition:	\$192,780
Total Maximum Annual Federal Credit:	\$1,114,732
Total State Credit:	\$3,699,710
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,565,663
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.90000
State Tax Credit Factor:	\$0.80000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	At-Risk
Final:	6.501%

Significant Information / Additional Conditions

Development cost is over \$687,000 per unit. Factors contributing to this include the project's acquisition cost and a requirement to pay prevailing wages.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, Sacramento Housing and Redevelopment Agency, has completed a site review of this project and supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	9
General Partner Experience	7	7	7
Management Experience	3	3	2
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit, service every 30 minutes in rush hours	6	6	6
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of a public high school	3	3	0
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	108

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Parlier Plaza/ Garden Valley Homes II, located at 640 Zediker Avenue/9565 Flores Dr. in Parlier/San Joaquin, requested and is being recommended for a reservation of \$813,279 in annual federal tax credits and \$330,514 in total state tax credits to finance the rehabilitation of 86 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Community Preservation Partners and will be located in Senate District 14 and Assembly District 31.

Parlier Plaza/ Garden Valley Home II is a re-syndication of an existing Low Income Housing Tax Credit (LIHTC) project, Parlier Plaza/ Garden Valley Home (CA-2005-882). See **Resyndication and Resyndication Transfer Event** below for additional information. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

Project Number CA-21-156

Project Name PARLIER PLAZA / GARDEN VALLEY HOMES II

Site Address:	<u>PARLIER PLAZA</u>	<u>GARDEN VALLEY HOMES II</u>
	640 Zediker Avenue	9565 Flores Dr.
	Parlier, CA 93648	San Joaquin CA, 93660
Census Tract:	68.02	82.00

County: Fresno

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$813,279	\$330,514
Recommended:	\$813,279	\$330,514

Applicant Information

Applicant: PSJ INVESTMENT GROUP, LP
Contact: Ronald D. Bettencourt
Address: 531 Mill Road
Auburn, CA 95603
Phone: 805.439.0328
Email: Bettencourtproperties@gmail.com

General Partner(s) / Principal Owner(s):	Bettencourt Properties, Inc. The Beneficial Housing Foundation
General Partner Type:	Joint Venture
Parent Company(ies):	Bettencourt Properties, Inc. The Beneficial Housing Foundation
Developer:	Community Preservation Partners
Investor/Consultant:	WNC and Associates
Management Agent(s):	AWI Management Corporation

Project Information

Construction Type:	Rehabilitation-Only
Total # Residential Buildings:	38
Total # of Units:	88
No. & % of Tax Credit Units:	86 100%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	HUD Section 8 Project-based Contract (86 Units - 100%) / USDA RHS 515

Information

Set-Aside:	Rural
Housing Type:	Large Family
Geographic Area:	N/A
TCAC Project Analyst:	Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 9	10%
At or Below 40% AMI: 9	10%
At or Below 50% AMI (Rural): 43	50%
At or Below 60% AMI: 25	29%

Unit Mix

24 1-Bedroom Units
15 2-Bedroom Units
24 3-BedroomUnits
18 4-Bedroom Units
5 5-Bedroom Units
86 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
<u>PARLIER PLAZA</u>		
11 1 Bedroom	60%	\$783
3 2 Bedrooms	60%	\$942
6 3 Bedrooms	60%	\$1,087
5 4 Bedrooms	60%	\$1,213
	0%	\$0
<u>GARDEN VALLEY HOMES II</u>		
11 1 Bedroom	50%	\$653
8 2 Bedrooms	50%	\$785
12 3 Bedrooms	50%	\$906
9 4 Bedrooms	50%	\$1,011
3 5 Bedrooms	50%	\$1,116
1 1 Bedroom	40%	\$523
2 2 Bedrooms	40%	\$628
3 3 Bedrooms	40%	\$725
2 4 Bedrooms	40%	\$809
1 5 Bedrooms	40%	\$893
1 1 Bedroom	30%	\$392
2 2 Bedrooms	30%	\$471
3 3 Bedrooms	30%	\$543
2 4 Bedrooms	30%	\$606
1 5 Bedrooms	30%	\$669
1 2 Bedrooms	Manager's Unit	\$0
1 5 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,537,099
Construction Costs	\$0
Rehabilitation Costs	\$6,151,200
Construction Contingency	\$628,000
Relocation	\$200,000
Architectural/Engineering	\$298,000
Const. Interest, Perm. Financing	\$918,664
Legal Fees	\$185,000
Reserves	\$650,000
Other Costs	\$560,326
Developer Fee	\$1,178,666
Commercial Costs	\$0
Total	\$14,306,955

Residential

Construction Cost Per Square Foot:	\$74
Per Unit Cost:	\$162,579
True Cash Per Unit Cost*:	\$165,493

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Construction Loan	\$6,165,000	Permanent Debt	\$5,110,000
USDA RD 515 Loan	\$2,089,565	USDA RD 515 Loan	\$2,089,565
Replacement Reserves	\$51,262	Existing Reserves	\$51,262
Developer Fee	\$814,433	Deferred Developer Fee	\$74,552
Tax Credit Equity	\$5,186,695	Tax Credit Equity	\$6,981,576
		TOTAL	\$14,306,955

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$9,036,436
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$9,036,436
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$813,279
Total State Credit:	\$330,514
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,178,666
Investor/Consultant:	WNC and Associates
Federal Tax Credit Factor:	\$0.83000
State Tax Credit Factor:	\$0.70000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	50.176%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event

Prior to closing, the applicant or its assignee shall obtain TCAC's consent to assign and assume the existing Regulatory Agreement (CA-2005-882). To be eligible for a new award of tax credits, the owner must provide documentation with the Form 8609 request (the placed in service submission) that the acquisition date and the placed in service date both occurred after the existing federal 15 year compliance period was completed.

As required by the IRS, the newly resyndicated project will continue to use the originally assigned Building Identification Numbers (BINs).

The newly resyndicated project shall continue to meet the rents and income targeting levels in the existing regulatory agreement(s) and any deeper targeting levels in the new regulatory agreement(s) for the duration of the new regulatory agreement(s). Existing households determined to be income-qualified for purposes of IRC §42 credit during the 15-year compliance period are concurrently income-qualified households for purposes of the extended use agreement. As a result, any household determined to be income qualified at the time of move-in under the existing regulatory agreement (CA-XX-XXX) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a resyndication where the existing regulatory agreement requires service amenities. The project shall provide a similar or greater level of services for a period of at least 15 years under the new regulatory agreement. The project is deemed to have met this requirement based on TCAC staff’s review of the commitment in the application. The services documented in the placed in service package will be reviewed by TCAC staff for compliance with this requirement at the time of the placed in service submission.

The project is a re-syndication occurring concurrently with a Transfer Event without distribution of Net Project Equity, and thus is waived from setting aside a Short Term Work Capitalized Replacement Reserve that is otherwise required.

Local Reviewing Agency

The project is located in two cities with different Local Reviewing Agency's. The Local Reviewing Agency for Parlier Plaza, the City of Parlier, has completed a site review of this project and strongly supports this project. The Local Reviewing Agency for Garden Valley Homes II has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
PARLIER PLAZA			
Within 1 mile of transit station or public bus stop	3	3	3
Within 1 mile of public park or community center open to general public	3	3	3
Within 1.5 mile of public library	2	2	2
Within 1 mile of a neighborhood market of at least 5,000 sf	3	3	3
Within 1/2 mile of a Public Elementary School	3	3	3
Within 1 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	2	2	2
GARDEN VALLEY HOMES II			
Van or dial-a-ride service for rural set-aside	4	4	4
Within 1.5 miles of public park or community center open to general public	2	2	2
Within 2 miles of public library	2	2	2
Within 1 mile of a neighborhood market of at least 5,000 sf	3	3	3
Within 3/4 mile of a Public Elementary School	2	2	2
Within 1.5 miles of medical clinic or hospital	2	2	2
Within 2 miles of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
PARLIER PLAZA			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
GARDEN VALLEY HOMES II			
Adult ed/health & wellness/skill bldg. classes, min. 84 hrs/yr. instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

4507 Main St., located at 4504 - 4519 South Main Street in Los Angeles, requested and is being recommended for a reservation of \$2,107,826 in annual federal tax credits to finance the new construction of 60 units of housing serving special needs tenants with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by EAH Inc. and will be located in Senate District 30 and Assembly District 59.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program of HCD.

Project Number CA-21-163

Project Name 4507 Main St.
Site Address: 4504 - 4519 South Main Street
Los Angeles CA, 90037 County: Los Angeles
Census Tract: 231900.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,107,826	\$0
Recommended:	\$2,107,826	\$0

Applicant Information

Applicant: EAH Inc.
Contact: Welton Jordan
Address: 22 Pelican Way
San Rafael CA, 94901
Phone: 415.295.8876
Email: welton.jordan@eahhousing.org

General Partner(s) / Principal Owner(s): 4507 Main St. EAH, LLC
General Partner Type: Nonprofit
Parent Company(ies): EAH Inc.
Developer: EAH Inc.
Investor/Consultant: The California Housing Partnership Corporation
Management Agent(s): EAH Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 61
No. & % of Tax Credit Units: 60 100%
Federal Set-Aside Elected: 40%/60% Average Income
Federal Subsidy: HUD Section 8 Project Based Vouchers (31 Units - 50%)

Information

Set-Aside: N/A
Housing Type: Special Needs At least 20% 1-bedroom units and 10% larger than 1-bedroom units
Type of Special Needs: Homeless, formerly homeless
Average Targeted Affordability of Special Needs/SRO Project Units: 30%
% of Special Need Units: 51.00%
Geographic Area: City of Los Angeles
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 33	55%
At or Below 60% AMI: 27	45%

Unit Mix

20 SRO/Studio Units
35 1-Bedroom Units
6 2-Bedroom Units
61 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
10 SRO/Studio	30%	\$621
21 1 Bedroom	30%	\$665
2 2 Bedrooms	30%	\$798
10 SRO/Studio	60%	\$1,242
13 1 Bedroom	60%	\$1,330
4 2 Bedrooms	60%	\$1,596
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,527,500
Construction Costs	\$20,977,078
Rehabilitation Costs	\$0
Construction Contingency	\$1,179,198
Relocation	\$150,000
Architectural/Engineering	\$1,236,750
Const. Interest, Perm. Financing	\$1,716,612
Legal Fees	\$60,000
Reserves	\$615,107
Other Costs	\$969,859
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$32,632,104

Residential

Construction Cost Per Square Foot:	\$509
Per Unit Cost:	\$534,953
True Cash Per Unit Cost*:	\$534,953

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
MUFG Union Bank, N.A.	\$19,352,732	MUFG Union Bank, N.A.	\$3,950,000
HCID LA HHH	\$6,000,000	HCID LA HHH	\$6,000,000
HCID LA Accrued/Deferred Interest	\$89,622	No Place Like Home	\$3,410,000
No Place Like Home	\$3,360,000	GP Capital	\$100
Costs Deferred Until Conversion	\$2,010,450	Tax Credit Equity	\$19,272,004
GP Capital	\$100	TOTAL	\$32,632,104
Tax Credit Equity	\$1,819,200		

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$18,015,612
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$23,420,296
Applicable Rate:	9.00%
Maximum Annual Federal Credit, Rehabilitation:	\$2,107,826
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	The California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.91431

The "as if vacant" land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

Initial:	No
First:	Special Needs
Final:	63.860%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 minutes in rush hours	6	6	6
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Special Needs project within 1 mile of facility serving tenant population	2	2	2
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Enhanced Accessibility and Visitability	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Vivalon Healthy Aging Campus, located at 999 3rd Street in San Rafael, requested and is being recommended for a reservation of \$2,236,275 in annual federal tax credits to finance the new construction of 66 units of housing serving seniors with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Eden Housing, Inc. and will be located in Senate District 2 and Assembly District 10.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-164

Project Name Vivalon Healthy Aging Campus
Site Address: 999 3rd Street
San Rafael, CA 94901 County: Marin
Census Tract: 1110.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,236,275	\$0
Recommended:	\$2,236,275	\$0

Applicant Information

Applicant: San Rafael Senior, L.P.
Contact: Andrea Osgood
Address: 22645 Grand Street
Hayward, CA 94541
Phone: 510-247-8103
Email: aosgood@edenhousing.org

General Partner(s) / Principal Owner(s): San Rafael Senior LLC
General Partner Type: Nonprofit
Parent Company(ies): Eden Development, Inc.
Developer: Eden Housing, Inc.
Investor/Consultant: Community Economics, Inc.
Management Agent(s): Eden Housing Management, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 67
No. & % of Tax Credit Units: 66 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HOME / CDBG / HUD Section 8 Project-Based Vouchers (66 units - 100%)

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Northern Region
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 14	20%
At or Below 40% AMI: 16	20%
At or Below 60% AMI: 36	50%

Unit Mix

50 SRO/Studio Units
16 1-Bedroom Units
1 2-Bedroom Units
67 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
10 SRO/Studio	30%	\$799
11 SRO/Studio	40%	\$1,278
29 SRO/Studio	60%	\$1,598
4 1 Bedroom	30%	\$856
5 1 Bedroom	40%	\$1,370
7 1 Bedroom	60%	\$1,713
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,164,637
Construction Costs	\$25,973,211
Rehabilitation Costs	\$0
Construction Contingency	\$1,762,331
Relocation	\$0
Architectural/Engineering	\$1,755,608
Const. Interest, Perm. Financing	\$3,121,084
Legal Fees	\$95,160
Reserves	\$381,912
Other Costs	\$3,420,591
Developer Fee	\$2,200,000
Commercial Costs	\$6,629,507
Total	\$47,504,042

Residential

Construction Cost Per Square Foot:	\$744
Per Unit Cost:	\$610,068
True Cash Per Unit Cost*:	\$603,691

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Chase Bank	\$30,635,415	Chase Bank - Tranche A	\$5,324,500
Marin County HOME / CDBG	\$896,371	Chase Bank - Tranche B	\$9,004,000
City of San Rafael Housing Trust Fund	\$800,000	Marin County HOME / CDBG	\$896,371
Housing Trust Silicon Valley / Apple	\$4,000,000	City of San Rafael Housing Trust Fund	\$800,000
Marin Community Foundation	\$450,000	Housing Trust Silicon Valley / Apple	\$4,000,000
Waived Impact Fees	\$496,517	Marin Community Foundation	\$450,000
Vivalon - Commercial Contribution	\$6,548,080	Waived Impact Fees	\$496,517
GP Equity	\$100	Vivalon - Commercial Contribution	\$6,548,080
Tax Credit Equity	\$2,012,647	GP Equity	\$100
		Tax Credit Equity	\$19,984,475
		TOTAL	\$47,504,042

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Marin Community Foundation - Sponsor Loan

Determination of Credit Amount(s)

Requested Eligible Basis:	\$19,113,461
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$24,847,500
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,236,275
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Community Economics, Inc.
Federal Tax Credit Factor:	\$0.89365

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Seniors
Final:	49.941%

Significant Information / Additional Conditions

Development costs are approximately \$709,016 per unit. The applicant noted these costs are a result of the infill location of the site, land costs in the Bay Area and costs associated with soil conditions and a vapor mitigation system required by DTSC.

The current legal description is part of a larger site and the project site’s parcel (legal description and APN) have not yet been finalized. The legal description and APN, including airspace subdivisions, must be completed as part of the placed in service package.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of San Rafael, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within 1/2 mile of public park or community center open to general public	3	3	3
Senior project within 1/2 mile of daily operated senior center/facility	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Village Green II, located at 650 4th Street West in Sonoma, requested and is being recommended for a reservation of \$715,474 in annual federal tax credits to finance the acquisition and rehabilitation of 33 units of housing serving seniors with rents affordable to households earning 30-50% of area median income (AMI). The project will be developed by Burbank Housing Development Corporation and is located in Senate District 3 and Assembly District 10.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers and USDA RHS 521 Rental Assistance.

Project Number CA-21-165

Project Name Village Green II
Site Address: 650 4th Street West
Sonoma, CA 95476 County: Sonoma
Census Tract: 1502.040

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$715,474	\$0
Recommended:	\$715,474	\$0

Applicant Information

Applicant: Burbank Housing Development Corporation
Contact: Richard Wallach
Address: 1425 Corporate Center Parkway
Santa Rosa, CA 95407
Phone: (707) 303-1006
Email: rwallach@burbankhousing.org

General Partner(s) / Principal Owner(s): Village Green II, LLC
General Partner Type: Nonprofit
Parent Company(ies): Burbank Housing Development Corporation
Developer: Burbank Housing Development Corporation
Investor/Consultant: Community Economics, Inc.
Management Agent(s): Burbank Housing Management Corporation

Project Information

Construction Type: Acquisition & Rehabilitation
Total # Residential Buildings: 9
Total # of Units: 34
No. & % of Tax Credit Units: 33 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: USDA RHS 515 / USDA RHS 521 Rental Assistance (28 units - 85%) / HUD Section 8 Project-based Vouchers (5 units - 15%)

Information

Set-Aside: Rural
Housing Type: Seniors
Geographic Area: Northern Region
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 22	65%
At or Below 40% AMI: 8	20%
At or Below 60% AMI: 3	5%

Unit Mix

26 1-Bedroom Units
8 2-Bedroom Units
<u>34 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
16 1 Bedroom	30%	\$654
3 1 Bedroom	30%	\$654
5 1 Bedroom	40%	\$873
2 1 Bedroom	50%	\$1,091
3 2 Bedrooms	30%	\$785
3 2 Bedrooms	40%	\$1,047
1 2 Bedrooms	50%	\$1,225
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,858,091
Construction Costs	\$0
Rehabilitation Costs	\$4,707,947
Construction Contingency	\$656,385
Relocation	\$256,700
Architectural/Engineering	\$187,500
Const. Interest, Perm. Financing	\$506,999
Legal Fees	\$26,000
Reserves	\$273,695
Other Costs	\$199,649
Developer Fee	\$1,068,010
Commercial Costs	\$0
Total	\$10,740,975

Residential

Construction Cost Per Square Foot:	\$185
Per Unit Cost:	\$315,911
True Cash Per Unit Cost*:	\$253,569

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
CHASE	\$4,721,975	USDA 515	\$740,384
USDA 515	\$740,384	Sonoma County Donated Reserves	\$1,562,000
Sonoma County Donated Reserves	\$1,562,000	Seller Carryback Loan	\$2,069,616
Seller Carryback Loan	\$2,069,616	Deferred Developer Fee	\$50,000
GP Equity	\$1,000	GP Equity	\$1,000
Tax Credit Equity	\$643,797	Tax Credit Equity	\$6,317,975
		TOTAL	\$10,740,975

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$6,115,159
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$7,949,707
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$715,474
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,068,010
Investor/Consultant:	Community Economics, Inc.
Federal Tax Credit Factor:	\$0.88305

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Seniors
Final:	59.654%

Significant Information / Additional Conditions

Projects with funding and subsidies from HUD are required to use Utility Allowances(UAs) approved by HUD. The applicant has proposed to use the Utility Allowances approved by the Public Housing Authority for the 5 units with Project-based Vouchers and the Utility Allowances approved by the USDA for the remaining 28 units.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within 1.5 miles of public park or community center open to general public	2	2	2
Within 1 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Sherwood Avenue Family Apartments located at the North side of Sherwood Avenue near 10th Street in McFarland, requested and is being recommended for a reservation of \$1,957,663 in annual federal tax credits to finance the new construction of 80 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Milestone Housing Group LLC and will be located in Senate District 14 and Assembly District 32.

Project Number CA-21-173

Project Name Sherwood Avenue Family Apartments
Site Address: North side of Sherwood Avenue near 10th Street
McFarland, CA 93250 County: Kern
Census Tract: 6029004701.00

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,957,663	\$0
Recommended:	\$1,957,663	\$0

Applicant Information

Applicant: Milestone Housing Group, LLC
Contact: Marcus Griffin
Address: 51 University Ave., Suite D
Los Gatos, CA 95030
Phone: 408-933-8531
Email: marcus@milestonehousing.com

General Partner(s) / Principal Owner(s): Milestone Sherwood GP, LLC
Pacific Housing, Inc.
General Partner Type: Joint Venture
Parent Company(ies): Milestone Housing Group, LLC
Pacific Housing Inc.
Developer: Milestone Housing Group, LLC
Investor/Consultant: CREA
Management Agent(s): FPI Management Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 81
No. & % of Tax Credit Units: 80 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: Rural
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 18	22%
At or Below 50% AMI (Rural): 40	50%
At or Below 60% AMI: 22	27%

Unit Mix

22 1-Bedroom Units
37 2-Bedroom Units
22 3-Bedroom Units
81 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	30%	\$392
11 1 Bedroom	50%	\$653
6 1 Bedroom	60%	\$784
8 2 Bedrooms	30%	\$471
18 2 Bedrooms	50%	\$785
10 2 Bedrooms	60%	\$942
5 3 Bedrooms	30%	\$543
11 3 Bedrooms	50%	\$906
6 3 Bedrooms	60%	\$1,087
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$387,541
Construction Costs	\$20,110,531
Rehabilitation Costs	\$0
Construction Contingency	\$1,192,500
Relocation	\$0
Architectural/Engineering	\$900,000
Const. Interest, Perm. Financing	\$878,334
Legal Fees	\$150,000
Reserves	\$163,386
Other Costs	\$2,038,888
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$28,021,180

Residential

Construction Cost Per Square Foot:	\$301
Per Unit Cost:	\$345,940
True Cash Per Unit Cost*:	\$337,926

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank	\$14,000,000	Citibank	\$3,125,000
Deferred Reserve Funding	\$156,219	AHSC Funds	\$6,628,014
Deferred Developer Fee	\$1,690,834	Deferred Developer Fee	\$649,201
Tax Credit Equity	\$12,136,760	Tax Credit Equity	\$17,618,965
		TOTAL	\$28,021,180

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$16,732,279
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$21,751,963
Applicable Rate:	9.00%
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	CREA
Federal Tax Credit Factor:	\$0.90000

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Large Family
Final:	47.463%

Significant Information / Additional Conditions

The applicant's estimate for annual operating expenses per unit is below the \$4,600 published per unit operating expense minimum required for this type of project. Under regulation section 10327(g) operating expenses below the published minimum may be corrected. At the submission of the next updated TCAC application required by TCAC, and all subsequent submissions to TCAC, the applicant must meet the requirement of regulation section 10327(g)(1).

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of McFarland, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	3	3	3
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1.5 miles of a Public High School	3	3	3
Within 1 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Jordan Downs Area H2A, located at 2299 East 99th Place in Los Angeles, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits to finance the new construction of 61 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by BRIDGE Housing Corporation and will be located in Senate District 35 and Assembly District 64.

Jordan Downs Area H2A will be receiving rental assistance in the form of HUD Section 8 Project-based

Project Number CA-21-176

Project Name Jordan Downs Area H2A
Site Address: 2299 E. 99th Place
Los Angeles, CA 90002 County: Los Angeles
Census Tract: 2421.000

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,500,000	\$0
Recommended:	\$2,500,000	\$0

Applicant Information

Applicant: Jordan Downs 3, LP
Contact: Van Scott
Address: 600 California St., Suite 900
San Francisco, CA 94108
Phone: 310-422-2561
Email: vscott@bridgehousing.com

General Partner(s) / Principal Owner(s): JD Housing 3, LLC
General Partner Type: Nonprofit
Parent Company(ies): BRIDGE Housing Corporation
Developer: BRIDGE Housing Corporation
Investor/Consultant: BRIDGE Housing Corporation
Management Agent(s): John Stewart Company

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 76
No. & % of Tax Credit Units: 61 81%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based vouchers (54 units - 88.53%)

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: City of Los Angeles
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 10	16%
At or Below 40% AMI: 14	24%
At or Below 50% AMI: 21	34%
At or Below 60% AMI: 16	26%

Unit Mix

20 1-Bedroom Units
27 2-Bedroom Units
27 3-Bedroom Units
2 4-Bedroom Units
76 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
3 1 Bedroom	30%	\$665
3 2 Bedrooms	30%	\$798
3 3 Bedrooms	30%	\$922
1 4 Bedrooms	30%	\$1,029
7 1 Bedroom	40%	\$886
7 2 Bedrooms	40%	\$1,064
6 1 Bedroom	50%	\$1,108
10 2 Bedrooms	50%	\$1,330
4 3 Bedrooms	50%	\$1,536
1 4 Bedrooms	50%	\$1,715
1 1 Bedroom	60%	\$730
2 2 Bedrooms	60%	\$945
6 3 Bedrooms	60%	\$1,264
2 1 Bedroom	60%	\$1,330
4 3 Bedrooms	60%	\$1,843
1 2 Bedrooms	60%	\$1,596
1 2 Bedrooms	Manager's Unit	\$0
1 1 Bedroom	Market Rate Unit	\$1,223
3 2 Bedrooms	Market Rate Unit	\$4,392
10 3 Bedrooms	Market Rate Unit	\$16,910

Project Cost Summary at Application

Land and Acquisition	\$3,315,301
Construction Costs	\$30,853,806
Rehabilitation Costs	\$0
Construction Contingency	\$1,869,714
Relocation	\$0
Architectural/Engineering	\$982,875
Const. Interest, Perm. Financing	\$2,589,781
Legal Fees	\$446,256
Reserves	\$680,372
Other Costs	\$3,804,595
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$46,742,700

Residential

Construction Cost Per Square Foot:	\$356
Per Unit Cost:	\$615,036
True Cash Per Unit Cost*:	\$615,036

Construction Financing

Source	Amount
Wells Fargo - Construction Loan	\$31,669,488
Choice Neighborhood Initiative	\$6,074,100
HACLA Ground Lease	\$3,190,000
HACLA Gap Loan	\$1,500,000
Cost Deferred Until Conversion	\$2,222,511
Tax Credit Equity	\$2,086,601

Permanent Financing

Source	Amount
CCRC - Perm Loan - Tranche A	\$3,656,000
CCRC - Perm Loan - Tranche B	\$9,536,000
HACLA Ground Lease	\$3,190,000
HACLA Gap Loan	\$1,500,000
Choice Neighborhood Initiative	\$6,074,100
Tax Credit Equity	\$22,786,600
TOTAL	\$46,742,700

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$26,607,670
130% High Cost Adjustment:	Yes
Applicable Fraction:	81.00%
Qualified Basis:	\$28,017,877
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	BRIDGE Housing Corporation
Federal Tax Credit Factor:	\$0.91146

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

Initial:	Letter of Support
First:	Large Family
Final:	58.912%

Significant Information / Additional Conditions

The project has a cost of \$615,036 per unit. This can be attributed to the requirement of prevailing wages, per the requirements of the Housing Authority of the City of Los Angeles and the Davis-Bacon Act.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Revitalization Area Project	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

October 20, 2021

Downtown Livermore Apartments South, located at the southeast corner of Railroad Ave & South L Street in Livermore, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits and \$6,410,256 in total state tax credits to finance the new construction of 50 units of housing serving special needs tenants and large families with rents affordable to households earning 20-60% of area median income (AMI). The project will be developed by Eden Housing, Inc. and will be located in Senate District 7 and Assembly District 16.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number	CA-21-181	
Project Name	Downtown Livermore Apartments South	
Site Address:	Southeast corner of Railroad Ave & South L Street Livermore, CA 94550 County: Alameda	
Census Tract:	4516.010	
Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,500,000	\$6,410,256
Recommended:	\$2,500,000	\$6,410,256

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant:	Eden Housing, Inc.
Contact:	Matt Graves
Address:	22645 Grand St Hayward, CA 94541
Phone:	510-963-9483
Email:	matt.graves@edenhousing.org
General Partner(s) / Principal Owner(s):	DTLM South LLC
General Partner Type:	Nonprofit
Parent Company(ies):	Eden Investments, Inc
Developer:	Eden Housing, Inc.
Investor/Consultant:	Community Housing Partnership Corporation
Management Agent(s):	Eden Housing Management, Inc.

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	51
No. & % of Tax Credit Units:	50 100%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	HUD Section 8 Project Based Vouchers (26 Units - 51%)

Information

Set-Aside: Nonprofit (homeless assistance)
 Housing Type: Special Needs: 51% Large Family: 49%
 Type of Special Needs: Homeless
 Average Targeted Affordability of Special Needs/SRO Project Units: 30.00%
 % of Special Need Units: 51.00%
 Geographic Area: East Bay Region
 TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 20% AMI: 16	30%
At or Below 30% AMI: 5	10%
At or Below 40% AMI: 5	10%
At or Below 60% AMI: 24	45%

Unit Mix

24 1-Bedroom Units
14 2-Bedroom Units
13 3-BedroomUnits
<u>51 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	20%	\$513
6 2 Bedrooms	20%	\$616
5 3 Bedrooms	20%	\$712
5 1 Bedroom	30%	\$770
2 1 Bedroom	40%	\$1,027
1 2 Bedrooms	40%	\$1,233
2 3 Bedrooms	40%	\$1,425
12 1 Bedroom	60%	\$1,541
6 2 Bedrooms	60%	\$1,849
6 3 Bedrooms	60%	\$2,137
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,542,370
Construction Costs	\$29,165,808
Rehabilitation Costs	\$0
Construction Contingency	\$1,855,321
Relocation	\$0
Architectural/Engineering	\$941,539
Const. Interest, Perm. Financing	\$2,883,769
Legal Fees	\$130,000
Reserves	\$304,332
Other Costs	\$4,128,845
Developer Fee	\$1,100,000
Commercial Costs	\$0
Total	\$44,051,984

Residential

Construction Cost Per Square Foot:	\$493
Per Unit Cost:	\$863,764
True Cash Per Unit Cost*:	\$762,525

Construction Financing

Source	Amount
US Bank	\$32,587,690
Alameda County	\$2,041,855
City of Livermore	\$196,150
Accrued Interest	\$69,095
Cost Deferred Until Conversion	\$1,162,222
Seller Carryback	\$3,060,000
Impact Fee Waiver	\$2,103,204
Tax Credit Equity	\$2,831,768

Permanent Financing

Source	Amount
US Bank	\$8,264,000
Alameda County	\$2,041,855
City of Livermore	\$196,150
Accrued Interest	\$69,095
Seller Carryback	\$3,060,000
Impact Fee Waiver	\$2,103,204
Tax Credit Equity	\$28,317,680
TOTAL	\$44,051,984

*Less Donated Land, Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,367,520
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,777,776
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Total State Credit:	\$6,410,256
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,100,000
Investor/Consultant:	Community Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.92000
State Tax Credit Factor:	\$0.82956

The “as if vacant” land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Special Needs
Final:	78.843%

Significant Information / Additional Conditions

This 101 unit application was submitted as a hybrid application serving special needs tenants and large families. The project is comprised of a 9% component (CA-21-181 Downtown Livermore Apartments South) consisting of 50 low income units and a 4% component (CA-21-770 Downtown Livermore Apartments North) consisting of 78 low income units. The north building will be constructed simultaneously with the Downtown Livermore Apartments South, but under separate contracts, on a separate parcel, and under a separate legal ownership entity. Livermore South consists of 51% Special Needs targeted units (26 units) that will target homeless and chronically homeless individuals, and will target individuals and families at 20-60% AMI. Livermore North will be reserved for low income families at 30-60% AMI. Additionally, both Projects agree to the shared use of a community room (“Community Room”) that will be located in Downtown Livermore Apartments South, and to mutual shared amenities between Downtown Livermore Apartments North and Downtown Livermore Apartments South. And both projects will have services provided by Eden Housing Residential Services.

The Downtown Livermore Apartments South project has an estimated total project cost per unit of \$762,525. The high cost per-unit project cost is due to a number of factors. This project is subject to state and federal prevailing wage laws due to funding sources. The project is designed to be high density to deliver as many units as appropriate for the location and neighborhood context. This requires a five-level structure that necessitates the use of a completely submerged concrete podium parking garage and elevators to access the upper floors. And lastly, supply chain and work-force interruptions due to the COVID 19 pandemic have caused significant delays and shortages in materials and the workforce, disrupting supply lines and typical pricing behavior. This has resulted in a rapid increase in material and labor costs.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ½ mile of a public middle school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Highest or High Resources Area	8	8	8
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	5
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.



AGENDA ITEM 8

**Recommendation of a Resolution
establishing a Waiting List of pending
applications for a Reservation of 2021
Second Round Consolidated
Appropriations Act (“CAA”) Federal Nine
Percent (9%) Low Income Housing Tax
Credits (LIHTCs), provided that credit
remains available and such applications
are complete, eligible and financially
feasible**

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
RESOLUTION NO. 21/22-01
October 20, 2021**

**RESOLUTION AUTHORIZING ESTABLISHMENT OF A WAITING LIST OF
REMAINING PENDING APPLICATIONS**

WHEREAS, the California Tax Credit Allocation Committee (the “Committee”) has received applications seeking reservations of Federal Nine Percent (9%) Consolidated Appropriations Act, 2021 (CAA) Disaster Area Low Income Housing Tax Credits, provided that credit remains available and such applications are complete, eligible and financially feasible;

WHEREAS, Committee regulation Section 10325(d)(1) provides for establishment of a Waiting List of pending applications, in anticipation of utilizing tax credits that remain, or not reserved by applicants;

WHEREAS, the projects on the attached Waiting List have been ranked based on the applicant’s self-score but have not been fully evaluated for scoring, project completeness, eligibility, or conformance with all aspects of the Committee’s regulations, it being understood that inclusion on the Waiting List does not guarantee reservation of tax credits;

WHEREAS, the projects on the attached Waiting List shall have the rights of appeal provided in Section 10330 of Committee regulations;

WHEREAS, Committee staff recommends that offers to Waiting List applicants shall occur immediately upon the Committee staff receiving notification of any unused, unreserved or returned tax credits, and shall continue until all returned credit is exhausted or this resolution expires;

NOW, THEREFORE, BE IT RESOLVED that the Committee delegates to the Executive Director the authorization to offer preliminary reservations of tax credits to applications listed in order of priority on the attached Waiting List, subject to staff evaluation and determination of scoring, project completeness, eligibility and conformance with all aspects and conditions of the Committee’s regulations, conditions of Section 10325(d)(1) of the Committee’s regulations, conditions recommended in project staff reports, and conditions of this resolution;

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption and shall expire at midnight on December 31, 2022.

Attest:

Chairperson

Date of Adoption: October 20, 2021

2021 Proposed CAA 9% Waiting List
CTCAC Regulation §10325(d)(1)
 October 20, 2021

Project Number	Project Name	Housing Type	City	Federal Credit Requested	Point Score*	FCAA/CAA Disaster Area Fire Perimeter	HCD Financing	Third Tie Breaker Score*
§10325(d)(1)								
BUTTE COUNTY								
CA-21-142	Prospect View Apartments	Special Needs	Oroville	\$1,677,562	109	No	No	\$42,202.82
SANTA CRUZ COUNTY								
CA-21-158	Pacific Station South	Large Family	Santa Cruz	\$2,461,353	109	No	No	\$29,654.86
CA-21-171	Cedar Street Family Apartments	Large Family	Santa Cruz	\$2,701,031	109	No	No	\$35,192.59
CA-21-120	831 Water Street	Special Needs	Santa Cruz	\$2,470,436	109	No	No	\$38,153.45
FRESNO COUNTY								
CA-21-143	Newmark Village Apartments	Large Family	Sanger	\$2,722,919	109	No	No	\$26,308.40
CA-21-101	Sun Lodge	Large Family	Fresno	\$2,051,057	109	No	No	\$27,735.73
CA-21-098	Avalon Commons - Phase I	Large Family HR	Fresno	\$2,500,000	109	No	No	\$32,679.74
CA-21-079	Guardian Village	Large Family	Reedley	\$2,087,390	109	No	No	\$37,109.16
CA-21-167	The Jefferson	Large Family	Clovis	\$3,029,275	109	No	No	\$40,390.33
CA-21-100	The Arthur at Blackstone	Special Needs	Fresno	\$1,842,831	109	No	No	\$42,856.53

*Point and/or tie-breaker score may not have been completed and self-scores may be reflected above.

NOTE: The award selection will be made from the waiting list to the counties in order number of lost homes highest to lowest. Within each county, the award selection will start with the highest ranking project located within a CAA or FCAA disaster area fire perimeter, as designated by CAL FIRE and available on the CTCAC website <https://www.treasurer.ca.gov/ctcac/> first and continue within that county in rank order until no eligible applications remain.

1. These projects may not have been reviewed for completeness or threshold regulatory requirements, and may not have been reviewed for scoring.
2. The ranking order is subject to change as CTCAC staff completes the review process.
3. Credit will not be reserved if there are insufficient tax credits to fully fund the next ranked application.

NOTE: The waiting list expires on December 31, 2022.



AGENDA ITEM 9

**Recommendation of a Resolution
establishing a Waiting List of pending
applications for a Reservation of 2021
Second Round Federal Nine Percent (9%)
and State Low Income Housing Tax Credits
(LIHTCs), provided that credit remains
available and such applications are
complete, eligible and financially feasible**

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
RESOLUTION NO. 21/22-02
October 20, 2021**

**RESOLUTION AUTHORIZING ESTABLISHMENT OF A WAITING LIST OF
REMAINING PENDING APPLICATIONS**

WHEREAS, the California Tax Credit Allocation Committee (the “Committee”) has received applications seeking reservations of Federal Nine Percent (9%) Low Income Housing Tax Credits, provided that credit remains available and such applications are complete, eligible and financially feasible;

WHEREAS, Committee regulation Section 10325(h) provides for establishment of a Waiting List of pending applications, in anticipation of utilizing tax credits that remain, or not reserved by applicants;

WHEREAS, the projects on the attached Waiting List have been ranked based on the applicant’s self-score but have not been fully evaluated for scoring, project completeness, eligibility, or conformance with all aspects of the Committee’s regulations, it being understood that inclusion on the Waiting List does not guarantee reservation of tax credits;

WHEREAS, the projects on the attached Waiting List shall have the rights of appeal provided in Section 10330 of Committee regulations;

WHEREAS, Committee staff recommends that offers to Waiting List applicants shall occur immediately upon the Committee staff receiving notification of any unused, unreserved or returned tax credits, and shall continue until all returned credit is exhausted or this resolution expires;

NOW, THEREFORE, BE IT RESOLVED that the Committee delegates to the Executive Director the authorization to offer preliminary reservations of tax credits to applications listed in order of priority on the attached Waiting List, subject to staff evaluation and determination of scoring, project completeness, eligibility and conformance with all aspects and conditions of the Committee’s regulations, conditions of Section 10325(h) of the Committee’s regulations, conditions recommended in project staff reports, and conditions of this resolution;

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption and shall expire at midnight on December 31, 2021.

Attest:

Chairperson

Date of Adoption: October 20, 2021

2021 Proposed 9% Waiting List
CTCAC Regulation §10325(h)
 October 20, 2021

Project Number	Project Name	Housing Type	City	Federal Credit Requested	State Credit Requested	Point Score*	Tie Breaker Score*
§10325(h)(2)							
CENTRAL COAST REGION							
CA-21-158	Pacific Station South	Large Family	Santa Cruz	\$2,461,353	\$0	109.00	50.340%
CA-21-120	831 Water Street	Special Needs	Santa Cruz	\$2,470,436	\$0	109.00	44.424%
SAN DIEGO COUNTY							
CA-21-064	Cedar & Kettner	Seniors	San Diego	\$2,427,889	\$0	109.00	72.564%
CA-21-081	Ulric Street Apartments II	Seniors	San Diego	\$2,151,087	\$5,836,189	109.00	39.385%
CAPITAL REGION							
CA-21-180	Saybrook Apartments	Large Family	Sacramento	\$2,020,380	\$0	109.00	60.868%
CA-21-174	Broadway and 39th Street	Seniors	Sacramento	\$1,481,227	\$0	109.00	41.994%
NORTHERN REGION							
CA-21-166	Lowden Lane Senior Apartments	Seniors	Redding	\$2,499,727	\$0	109.00	33.682%
CA-21-113	Piper Way Senior Housing	Seniors	Redding	\$2,500,000	\$0	109.00	26.046%
EAST BAY REGION							
CA-21-073	34320 Fremont Family Apartments	Special Needs	Fremont	\$2,500,000	\$5,164,451	109.00	74.569%
CA-21-074	Sycamore Place	Seniors	Danville	\$1,548,960	\$0	109.00	39.669%
ORANGE COUNTY							
CA-21-179	Orchard View Senior Gardens	Seniors	Buena Park	\$1,689,824	\$0	109.00	22.601%
CA-21-096	Tahiti Apartment Homes	Special Needs	Stanton	\$1,861,974	\$0	106.00	78.151%
INLAND EMPIRE REGION							
CA-21-155	Calexico Meadows	Large Family	Calexico	\$1,263,737	\$0	109.00	64.871%
CA-21-062	Emporia Place II	Large Family	Ontario	\$1,864,819	\$0	109.00	56.925%
*Point and/or tie-breaker score may <u>not</u> have been completed and self-scores may be reflected above.							
<p>NOTE: The top to bottom order of geographic regions only is the order for potential reservations starting with the most undersubscribed geographic region. The list starts with the most undersubscribed geographic region at the top (Central Coast Region) down to the least geographic region at the bottom (Inland Empire Region). Projects that are reserved credit from this waiting list will be accounted against that geographic region's beginning balance in 2022.</p> <p>1. These projects have <u>not</u> been reviewed for completeness or threshold regulatory requirements, and may not have been reviewed for scoring.</p> <p>2. Only the <u>highest</u> ranked project in a given region may be considered for reservation. The ranking order is subject to change as CTCAC staff completes the review process.</p> <p>3. As prescribed by regulation, the list starts with the most undersubscribed geographic region.</p> <p>4. Credits reserved from projects on this waiting list will be counted against that geographic region's starting balance in 2022.</p>							
§10325(h)(3)							
GENERAL POOL							
CA-21-073	34320 Fremont Family Apartments	Special Needs	Fremont	\$2,500,000	\$5,164,451	109.00	74.569%
CA-21-064	Cedar & Kettner	Seniors	San Diego	\$2,427,889	\$0	109.00	72.564%
CA-21-100	The Arthur at Blackstone	Special Needs	Fresno	\$1,842,831	\$0	109.00	66.754%
CA-21-155	Calexico Meadows	Large Family	Calexico	\$1,263,737	\$0	109.00	64.871%
CA-21-180	Saybrook Apartments	Large Family	Sacramento	\$2,020,380	\$0	109.00	60.868%
CA-21-153	Harrower Village	Seniors	Glendale	\$1,730,599	\$0	109.00	60.210%
*Point and/or tie-breaker score may <u>not</u> have been completed and self-scores may be reflected above.							
<p>NOTE: The general pool list above is in order of point score and tie breaker without regard to set-aside or geographic region.</p> <p>1. These projects have <u>not</u> been reviewed for completeness or threshold regulatory requirements, and may not have been reviewed for scoring.</p> <p>2. The ranking order is subject to change as CTCAC staff completes the review process.</p> <p>3. Credits reserved from projects on this waiting list will be counted against that geographic region's starting balance in 2022.</p> <p>4. Credit will not be reserved if there are insufficient tax credits to fully fund the next ranked application pursuant to §10325(h)(4), except that CTCAC may exceed the amount of available credits if necessary to qualify for the national pool.</p>							
NOTE: The waiting list expires on December 31, 2021.							



California Tax Credit Allocation Committee

AGENDA ITEM 10

Discussion of Direction for Working Group in Regulation Development



California Tax Credit Allocation Committee

AGENDA ITEM 11

Discussion of Tax-Exempt Bond Financed Projects (4% Projects) Requesting Limited State Tax Credits



California Tax Credit Allocation Committee

AGENDA ITEM 12

Public Comment



California Tax Credit Allocation Committee

AGENDA ITEM 13

Adjournment